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GOVERNOR'S BIENNIAL REPORT

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Thomas L. Judge

THOMAS L. JUDGE
Governor

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Office of The Governor
Helena 59601

THOMAS L. JUDGE
GOVERNOR

TO MEMBERS OF THE FORTY-SIXTH LEGISLATURE:

As provided for in Section 2-7-102, MCA, submitted herewith is the Governor's Biennial Report for the biennium ending June 30, 1979. The report reflects executive branch agency and program descriptions as well as program benefits and recommendations for improvement. I emphasize that the recommendations for improvement listed represent recommendations made by the various state agencies. The recommendations may or may not be supported by this administration.

Sincerely,



THOMAS L. JUDGE
Governor



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INTRODUCTION

The Governor's Biennial Report is provided for in Section 2-7-102, MCA. The purpose of the report is to provide interested parties a brief summary of program operations and accomplishments for the fiscal biennium ended June 30, 1979, and to indicate certain agency recommendations for program improvement. Also included are brief descriptions of specific actions taken by agencies regarding the Freedom from Discrimination Act.

It is emphasized that the recommendations reflected in this report are recommendations offered by state agencies for consideration by the Governor and do not necessarily reflect the views of the Governor.

REPORT FORMAT

The activities of each agency are expressed in terms of programs. A program identifies a related group of service-oriented activities within that agency.

For each program the following information is provided:

1. Total disbursements by fiscal year for the fiscal biennium ended June 30, 1979.
2. Program description which indicates why the program exists.
3. Program benefits to the general public.
4. Recommendations for program improvement as suggested by program personnel.

COMMENTS INVITED

Comments relative to the contents and/or format of the Governor's Biennial Report are welcome. Comments should be forwarded to:

Assistant Director
Office of Budget and Program Planning
State Capitol Building
Helena, Montana 59601

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AGENCY DESCRIPTION:

The Department's major responsibilities include providing centralized services in the following areas: accounting control; financial reporting; capital buildings and grounds maintenance; capitol security; telephone, radio and microwave communication; state building program administration; building codes regulation; data processing; investing state funds; insurance coverage; personnel management and labor relations; purchasing; duplicating, mail and messenger services; management systems; records management; and administration of the various retirement systems.

In addition, the State Treasurer, Board of Examiners, State Tax Appeal Board, Workers' Compensation Judge, Board of Investments, Public Employees' Retirement Board and Teachers' Retirement Board are attached to the Department for administrative purposes only.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The EEO Analysis and Reporting System has been designed to gather and analyze information on the effectiveness of Montana's affirmative action program. Steps are now being taken to automate the system and implement it statewide.

The Department is working with the Employment Security Division in an attempt to obtain necessary applicant information and to assure adequate referral of women and minorities from the Job Service to state agencies.

All state departments have working affirmative action programs for minorities and women; all but three have approved plans. These three are awaiting availability data from the EEO Analysis and Reporting System.

The Department of Administration continues to develop uniform policies and procedures for its own employees to assure non-discrimination in its employment practices.

ACCOUNTING PROGRAM Disbursements: FY 78 \$619,914
FY 79 \$838,801

PROGRAM DESCRIPTION: The Accounting Program maintains, operates and provides enhancements to the computer-driven Statewide Budgeting and Accounting System (SBAS). SBAS is an accounting system used by all state agencies (including the University System) to satisfy their accounting and budgetary tracking needs. In addition to monitoring the system, technical and financial assistance is provided to the user agencies in the form of training and a review of documents processed. SBAS outputs daily control reports and monthly financial reports which are promptly distributed to the users. From the year's data accumulated by SBAS, the state's Annual Financial Report is prepared and published.

PROGRAM BENEFITS: Every operation, whether government or private, that engages in financial activity must have an accounting system to inform management of financial affairs on a timely basis and to make payments to vendors. SBAS is that system for the State of Montana. When used properly, it reports timely financial information, both monthly and yearly, to user

agencies, control agencies and to the legislature. SBAS also, as a general rule, will produce a warrant paying the vendors of the state within 24 hours after receipt of a transfer-warrant claim from the paying agency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The 1979 Biennium accomplished the design and implementation of the SBAS Upgrade. In that period, this program and user agencies experimented with the new capabilities available. The 1981 Biennium will be the period in which the "upgrade" is fine-tuned, customized and generally made better. The end result should be increased user satisfaction with the product.

ARCHITECTURE AND ENGINEERING Disbursements: FY 78 \$17,880,045
FY 79 \$15,215,205

PROGRAM DESCRIPTION: The Architecture and Engineering Program, authorized under Title 18, Chapter 2, MCA, exists to provide functional, as well as aesthetically planned, buildings and grounds that satisfy the present and future needs of state government at an affordable cost.

PROGRAM BENEFITS: Through efficient management of the program, the general public receives the long lasting benefit of an economically sound construction program based upon proven needs. Without knowledgeable screening, many potentially urgent projects would be left undone because funds had been expended for other, less necessary ones.

Each building project is designed to be functionally efficient and, in addition, inspections are made during actual construction to insure quality control so that dollars are spent in the best possible manner through all phases of the project.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Construction projects could be expedited, thus saving valuable time and money, if the Board of Examiners would delegate to the Director of the Department of Administration the authority to solicit bids, conduct bid opening, approve awards of construction contracts, and approve change orders.

At the present time, state statutes do not allow the use of certificates of deposits as an acceptable labor and material bond for state construction projects. Approval of CD's for this purpose would appreciably increase contractors' options to meet this requirement while not jeopardizing the security essential to the State of Montana.

In Title 18-2-101, MCA "construction" is defined to include construction, repair, alteration, and equipping and furnishing during construction, repair, or alteration. If the reference to repair, equipping, and furnishing was deleted from this section, the definition would become more consistent with the usual operational procedures of this office. In other words, projects which are largely repair, equipping, or furnishing could then be bid through the Purchasing Division, or accomplished by physical plant personnel, in full compliance with existing state law.

DEPARTMENT OF ADMINISTRATION

BUILDING CODES PROGRAM Disbursements: FY 78 \$436,901
 FY 79 \$539,480

PROGRAM DESCRIPTION: The objective of the Building Codes Division is the protection of the general public from unsafe conditions relating to the construction of buildings through providing construction standards relating to energy consumption. The applicable law is found in 50-60-101 through 50-60-607, MCA.

PROGRAM BENEFITS: The following activities for the biennium indicate the assurance of code compliance to protect the life and safety of Montana's citizens.

	<u>FY 1978</u>	<u>FY 1979</u>
<u>Building Standards Bureau</u>		
Factory-Built Buildings		
Plan Reviews	82	105
Insignias	771	994
Inspections	100	141
Recreational Vehicles		
Plan Reviews	363	500
Insignias	3,981	3,901
Inspections	180	203
Public Buildings		
Plan Reviews	169	208
Inspections	20	447
School Buildings		
Plan Reviews	53	47
Inspections	7	117
<u>Mechanical Safety Bureau</u>		
Plumbing		
Permits	2,342	1,465
Inspections	4,273	872
Elevators		
Inspections	436	1,073
Plan Reviews	15	55
<u>Electrical Safety Bureau</u>		
Electrical		
Permits	13,583	11,987
Inspections	25,128	17,981

The division has had numerous consultations with state agencies, local governments, designers, contractors, owners and other members of the general public relating to construction problems and code interpretations.

The division has implemented a program for certification of local government code enforcement programs, which will resolve any duplication of effort between local and state government in the area of code enforcement.

The division has been working with Montana State University in providing seminars on the various codes for public, designers, trade groups and code officials.

The division has been involved with the closure of a dangerous hotel which was endangering the lives of guests.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The program could be greatly improved by a rewriting of the existing law to provide a much clearer statement of the intent.

CENTRAL ADMINISTRATION PROGRAM Disbursements: FY 78 \$184,737
FY 79 \$238,947

PROGRAM DESCRIPTION: The Central Administration Program is responsible for overall supervision and coordination of the programs and divisions of the Department of Administration, including the various "attached to" agencies. Duties also include accounting and budgeting for the Department's operations, office space allocations and property leases in the Helena area, and management and control of the emergency and disaster funds. In addition, this program has assumed the responsibilities of the Board of Examiners.

PROGRAM BENEFITS: By centralizing the many services performed by the Department, duplication is eliminated and savings realized. Responsibility for developing, implementing and administering these assigned duties in state government is clearly defined.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to upgrade the central services unit by centralizing more functions. The bidding and awarding of construction projects should be expedited to eliminate unnecessary time delays and increases in construction costs.

Implement the Department of Administration's employee performance and appraisal program.

COMMUNICATIONS DIVISION PROGRAM Disbursements: FY 78 \$2,178,154
FY 79 \$2,223,752

PROGRAM DESCRIPTION: The Communications' Program is authorized under 2-17-302, MCA. The division's purpose is to provide required communications services to all agencies of state government in the most effective, efficient and economical manner possible.

PROGRAM BENEFITS: Continued to provide a quality level of service on the state telephone system (P-10 or 10 out of 100 attempts receiving a busy signal) and further refined the telephone accounting system.

Continued to provide timely and cost-effective repair, maintenance, engineering and system design services for state communications equipment and systems.

Improved the overall percent efficiency (chargeable time/non-chargeable or administrative time) of radio technicians to 67%, exceeding the goal of 65%.

Secured funding and completed installation of national weather service continuous broadcast FM radio stations in Helena, Great Falls, Havre and Missoula. Three additional sites are scheduled for installation in federal FY 1979, which will provide continuous weather and emergency information to the public throughout the state.

Secured funding and began installation of the National Emergency Aid Radio (NEAR) program in Montana which will provide around-the-clock monitoring and aid to the motoring public using citizens' band (CB) radio channel nine. The project is scheduled for completion in federal FY 1979.

Provided cost analysis of over 300 telephone key systems and assisted in the planning and implementation of major telephone moves for the Department of Highways, Department of Justice, Department of Agriculture and Department of Livestock, in addition to handling over 1,200 telephone service requests during the 1979 Biennium.

Transferred or installed over 425 mobile radios and associated equipment in addition to meeting regular maintenance requirements for the FY 1979 Biennium.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The current telephone switching systems for the capitol complex and most university campuses have been in service for over 12 years and are rapidly reaching their design limitations. This will require an active effort to upgrade our telephone system to a state-of-the-art condition for all major state locations to meet the great demand created by travel restrictions and continued redefinition of individual agency objectives.

The procurement of radio service shops at major radio population centers throughout the state is needed to provide adequate service facilities at central locations. This would require 2 or 3 additional FTEs, but could reduce travel considerably.

COMPUTER SERVICES PROGRAM Disbursements: FY 78 \$2,250,531
FY 79 \$3,000,600

PROGRAM DESCRIPTION: The division is responsible for maintaining and supervising the operation of the Central Data Processing Facility for the use of state agencies. The operation of the Central Data Center must be done in a manner designed to minimize costs and maximize the benefits to the user agencies.

PROGRAM BENEFITS: The most important benefit to the public is improved efficiency which speeds up governmental processes, provides more up-to-date

information and in many cases substantially reduces the cost of state government. The effective use of the computer improves the responsiveness of state government to the needs of the public. The amount of time that an individual must wait for various registrations, payments, permits and requested information is greatly reduced.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to work toward the attainment of the goals outlined in the "State of Montana Long Range Information Plan," November, 1978, which are summarized as follows:

1. Provide effective data processing and data communications capabilities consistent with the needs and priorities of the State of Montana.
2. Provide for cost effective use of the state's data processing resources.
3. Insure the security and privacy of data which is manipulated and stored within the state's data processing systems.

EMERGENCY AND DISASTER PROGRAM Disbursements: FY 78 \$ 600,000
FY 79 \$1,236,910

PROGRAM DESCRIPTION: The Emergency and Disaster Program was established to provide emergency financial assistance as required. Funds are disbursed after the Governor declares a state of emergency. Title 10, Chapter 3, MCA, authorizes the Governor during a declared emergency to expend from the General Fund up to \$750,000 in any one biennium.

PROGRAM BENEFITS: The following assistance was provided:

<u>LOCATION</u>	<u>DISASTER</u>	<u>APPROVED PROJECT</u>
Blaine County	1978 Winter Storm	\$ 156,961
Carter County	1978 Winter Storm	76,008
Carter County	1979 Winter Storm	95,672
Dawson County	1978 Winter Storm	31,524
Dawson County	1979 Winter Storm	75,947
Garfield County	1978 Winter Storm	114,936
Garfield County	1979 Winter Storm	88,387
Golden Valley County	1979 Winter Storm	66,693
Judith Basin County	1979 Winter Storm	201,825
McCone County	1978 Winter Storm	14,944
McCone County	1979 Winter Storm	15,790
Petroleum County	1978 Flooding	127,515
Petroleum County	1979 Flooding	92,500
Phillips County	1978 Winter Storm	121,074
Sweet Grass County	1979 Winter Storm	34,145
Teton County	1979 Winter Storm	247,818
Valley County	1978 Winter Storm	22,350
Wibaux County	1978 Winter Storm	47,989
Wibaux County	1979 Winter Storm	39,559
City of Denton	1979 Flooding	15,339
City of Havre	1978 Winter Storm	19,495
City of Winnett	1978 Flooding	16,442
City of Wolf Point	1978 Winter Storm	10,231

DEPARTMENT OF ADMINISTRATION

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue program at present level.

GENERAL SERVICES PROGRAM Disbursements: FY 78 \$2,588,829
FY 79 \$3,109,404

PROGRAM DESCRIPTION: The General Services Program is responsible for buildings and grounds maintenance, repair, and security in the Capitol Complex; duplicating, copying, mail and messenger service; and federal and state surplus property distribution statewide.

PROGRAM BENEFITS: The program provides clean, comfortable and pleasant surroundings for elected officials, state employees, and guests; economical, and efficient centralized duplicating, copying, and mail and messenger service for state agencies; and statewide distribution of surplus property to all eligible organizations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that additional mail and messenger services in the Capitol Complex be centralized more fully to avoid duplication and thereby provide faster and more efficient services at less cost, and that state agencies increase their participation in the state surplus property program.

BOARD OF HOUSING PROGRAM Disbursements: FY 78 \$112,203
FY 79 \$190,536

PROGRAM DESCRIPTION: The 44th Legislature of the State of Montana found and declared ". . . that there is a shortage in Montana of decent, safe and sanitary housing which is within the financial capabilities of lower income persons and families. In order to alleviate the high cost of housing for these persons, the legislature believes that it is essential that additional public money be made available through the issuance of revenue bonds to assist both private enterprise and governmental agencies in meeting critical housing needs." This program exists to carry out that legislative intent. Title 90-6-101 through 90-6-126, MCA, provides for the Board of Housing Program.

PROGRAM BENEFITS: An accumulated total of approximately 1,700 mortgage loans have been made at below market interest rates to persons and families of lower income in Montana. It is quite likely that without this assistance these persons would otherwise not have been able to purchase these homes. Additionally, a 134-unit housing project for the elderly was constructed utilizing funds provided by the Board of Housing.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Grant the board additional flexibility in budget and staff. In that the board's operations are often a reaction to specific economic circumstances in that state, it is imperative that, in order to achieve maximum benefits for the state and its citizens, they are allowed to provide the specific required services in a timely manner when needed and/or required.

DEPARTMENT OF ADMINISTRATION

INFORMATION SYSTEMS PROGRAM Disbursements: FY 78 \$805,296
FY 79 \$699,745

PROGRAM DESCRIPTION: The Information Systems Program exists to provide planning, development, implementation, and system maintenance support of automated information systems for agencies of state government.

PROGRAM BENEFITS: Specific benefits to the public result indirectly from the implementation and support of quality automated information systems that are cost effective, well documented and meet the objectives and requirements established by the state agency. With quality automated information systems, the services provided by the agency to the public will generally be more timely with a reduced unit cost.

In addition, this program provides the necessary system maintenance support for operational automated information systems, whether developed inhouse or purchased from private firms.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: In the past, automated information systems have been developed or purchased without formally documenting the total requirements of the agency. This planning effort is required in order to accurately estimate the developmental and operational costs for the project. It is recommended that before an automated information system of any consequence is developed or purchased, the planning (feasibility) effort be completed.

INSURANCE AND LEGAL PROGRAM Disbursements: FY 78 \$2,075,490
FY 79 \$2,215,777

PROGRAM DESCRIPTION: The Insurance and Legal Program exists to implement the provisions of Title 2, Chapter 9, MCA, Liability Exposure and Insurance Coverage, part 1 through part 6, by providing a comprehensive and adequate plan of insurance and self-insurance for all state agencies for property, liability, bonds, and special requirements of individual agencies. This program provides the legal counsel for the Department and represents all agencies of the state in the investigation, settlement, or defense of all tort claims.

PROGRAM BENEFITS: Specific benefits to the general public result from insurance protection on all state property.

Provision is made for the public with legitimate claims against the state or its employees to have the opportunity to present claims for just compensation without having to wait upon the next session of the legislature to consider the claims.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: As adequate reserves become established, the program should be maintained on charge-backs to the agencies rather than by General Fund appropriation to this office.

BOARD OF INVESTMENTS PROGRAM Disbursements: FY 78 \$304,362
FY 79 \$383,260

PROGRAM DESCRIPTION: The Board of Investments has the sole authority to invest state funds in accordance with Montana law.

PROGRAM BENEFITS: Investment income from surplus treasury cash investments amounted to \$10,647,000 in FY 1978, and an estimated \$12,718,000 in FY 1979. Since the inception of the Board of Investments in August, 1971, surplus treasury cash income distributed to the General Fund has amounted to \$69,230,000.

Actively pursued the purchase of Montana real estate mortgages through the continued program of conducting board meetings in non-Helena sites with local financial institutions. Purchased \$13,694,000 in Montana real estate mortgages in FY 1978 and \$21,333,000 in FY 1979. Total Montana mortgages owned are \$71,586,000 compared to \$51,800,000 at the end of the 1977 Biennium, a 38.2 percent increase.

Continued to provide the services of the Short-Term Investment Pool (STIP) to state funds, cities, counties, and school districts. A total of 42 local governmental entities participate in STIP.

Installed Moneymax, a computerized short-term investment system, in FY 1979. This system provides the automated portfolio accounting for STIP, as well as performing overall cash flow and investment analysis.

Increased total investments at cost under management to an estimated \$891.8 million, up from \$708 million at the end of the 1977 Biennium, a 26 percent increase. Total investment income increased to an estimate \$63.1 million, up from \$45.9 million earned in FY 1977, a 37.5 percent increase.

The common stock portfolio, which was started in 1973, has continued to outperform the Dow Industrial Average and has consistently placed in the top quartile of performance as measured by several nationally recognized performance indicators.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Improve in-house research capabilities.

MANAGEMENT SYSTEMS PROGRAM Disbursements: FY 78 \$200,987
FY 79 \$208,160

PROGRAM DESCRIPTION: This program provides for the development and maintenance of efficient, effective and economical fiscal management and administrative control systems for state government; general statewide operating policies and procedures; and management consulting services for state agencies.

PROGRAM BENEFITS: Benefits to the general public resulted indirectly from: improvement made to the Statewide Budgeting and Accounting System, which facilitated improved fiscal management of state government; assistance provided to state agencies in resolving management problems; development and implementation of comprehensive fiscal policies which provided improved financial reporting.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: All responsibilities relative to the Statewide Budgeting and Accounting System (SBAS) should be transferred to the Accounting Program. This will allow for consolidation, in one program, of all activities relative to the state's investment in SBAS.

The management consulting functions should be combined with the Information Systems Program to provide a more comprehensive approach to the development of management information systems in state government.

MERIT SYSTEM PROGRAM Disbursements: FY 78 \$192,589
FY 79 \$199,029

PROGRAM DESCRIPTION: The Merit System Program is responsible for insuring that state agencies which receive certain federal funds comply with required Federal Standards For A Merit System of Personnel Administration. The purpose of the Merit System Program is to insure fair treatment to all applicants, eligibles and employees in all personnel actions.

PROGRAM BENEFITS: In conformation with federal standards, the Merit System Program has enabled the state to continue receiving federal grant-in-aid funds for those agencies covered under federal requirements.

Through agreement with the Employment Security Division, job information and testing services are provided in all Job Service offices, resulting in more accessibility to state employment for all Montanans.

The program provides centralized referral and certification at less cost than if the program were decentralized in each merit agency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A continued effort must be made to review and revise Merit System selection procedures to insure they are job related and free from adverse impact on any racial, sex or ethnic group, in conformance with federal selection guidelines.

Test scoring and analysis, applicant flow information, job registers, availability inquiries and certificates of eligibility should be automated.

PASSENGER TRAMWAY SAFETY Disbursements: FY 78 \$6,996
FY 79 \$7,230

PROGRAM DESCRIPTION: The Passenger Tramway Safety Program authorized under 23-2-7, MCA, exists to regulate the design, construction, and operation of all passenger tramways within the boundaries of Montana in order to establish practical factors of safety and adequate safety features.

PROGRAM BENEFITS: The program safeguards the life, health, property, and welfare of all persons using passenger tramways within the State of Montana by promulgating maximum ski area compliance with National Standard safety requirements and regulations in its certification procedures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implementation of a continuing education program including seminars on code interpretations, equipment, and operational problems for the inspectors, as well as technical assistance to the operators, could help reduce accidents in addition to increasing overall operational safety.

DEPARTMENT OF ADMINISTRATION

PERSONNEL DIVISION PROGRAM Disbursements: FY 78 \$946,537
FY 79 \$897,945

PROGRAM DESCRIPTION: The Personnel Program exists to implement and administer the provisions of the State Classification and Pay and Public Employees Collective Bargaining Acts: Title 2, Chapter 18 and Title 39, Chapter 31, MCA, respectively. This program is designed to provide state government with a comprehensive program of personnel administration including classification, labor relations, employee relations, pay and benefit administration, training and the promulgation of personnel rules and policies dealing with recruitment, selection, affirmative action and other personnel-related matters.

PROGRAM BENEFITS: This program benefits three distinct groups: citizens who are seeking employment with state government; the state as an employer and its employees; and the general taxpaying public. This program, through its classification and equal employment opportunity efforts, attempts to ensure the state's recruitment and selection practices are free from discrimination and bias. This program, through its classification, contract, pay and benefit administration and rule-making authority, attempts to ensure that each agency and employee is given equal treatment under the law through a consistent application of statutory and administrative provisions. This program, because of the centralized administration of the statutory and administrative provision, provides a necessary professional service to state government at less cost to the taxpayer than if the program were decentralized in each of the agencies of state government.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: This program should develop a comprehensive management plan for use by all state agencies, complete the automation of Personnel/Payroll/Position Control systems for management reporting and analytical purposes, further modify the classification system for a more effective utilization by state agencies, provide for more efficient and a timely resolution of classification appeals, modify state affirmative action guidelines to incorporate new federal selection Guidelines, and provide efficient and effective administration of the State Employee Benefit Program.

PUBLIC EMPLOYEES' RETIREMENT PROGRAM Disbursements: FY 78 \$20,886,001
FY 79 \$85,792,036

PROGRAM DESCRIPTION: The Retirement Program provides retirement, disability and death benefits to the members, and their beneficiaries of the members, of the several retirement programs. Title 19, Chapters 1,3,5,6,7,8,9, and 12, MCA, apply to the operation of the Public Employees' Retirement Division.

PROGRAM BENEFITS: The several retirement funds were created to promote efficiency and economy in government by providing a means whereby employees who become superannuated or otherwise incapacitated may without prejudice or hardship be replaced by more capable employees.

DEPARTMENT OF ADMINISTRATION

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: All retirement legislation should be channeled through a single legislative committee to avoid duplication and fractionalization that affects benefits and their funding.

The information function within the Retirement Division should be continued to provide the members with up-to-date information about their retirement system and provide a program to help retirees and prospective retirees plan their retirement.

PURCHASING DIVISION PROGRAM Disbursements: FY 78 \$261,524
FY 79 \$285,735

PROGRAM DESCRIPTION: The Purchasing Division exists to implement the statutory responsibility provided for within 18-4-101, MCA, which reads in part: "the department shall make or supervise the making of all purchases of goods and services for the legislature, the supreme court and each state agency, institution and official."

PROGRAM BENEFITS: Benefits provided by the program during Fiscal Year 1978 include:

The program awarded, through competitive bidding procedures, contracts and purchase orders exceeding \$46 million.

The Department entered into an energy program designed toward implementing procurement procedures more responsive to the conservation of energy.

The program initiated the adoption of substitute rules governing the regulation of purchasing activities according to the Administrative Rules of Montana.

Benefits derived by the program during Fiscal Year 1979 include:

The program awarded, through competitive bidding procedures, contracts and purchase orders exceeding \$48 million.

The state purchase orders and request for quotation forms were revised according to current terms and conditions of award.

The program initiated a service agreement with the Department of Administration, Information Systems Division, to determine the feasibility of automating purchasing procedures.

The program completed a revised "Purchasing Procedures Manual."

A task force, made up of user agencies' representatives, was established to assist with design standards and specifications.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Total or partial automation of manually performed purchasing operations should be initiated.

Formal training programs should be established for central purchasing and appropriate user agency staff.

DEPARTMENT OF ADMINISTRATION

Provisions should be made to implement and maintain a central complaint file.

This program should establish additional specification and field inspection positions.

RECORDS MANAGEMENT PROGRAM Disbursements: FY 78 \$191,893
FY 79 \$199,915

PROGRAM DESCRIPTION: The Records Management program exists to implement the provisions of the "Public Records Management Act" - 2-6-201 through 2-6-213, MCA - by providing centralized microfilming, storage, analysis and retention scheduling of records of executive branch agencies of the State of Montana. Additionally, this program monitors filing and microfilm equipment acquisitions by state agencies and provides information on all facets of records management.

PROGRAM BENEFITS: Specific benefits to the general public result from more efficient management of public records. During the 1979 Biennium, the program:

Microfilmed 5,325,200 pages of information for state agencies, representing information equal to the contents of 335 four-drawer file cabinets. Microfilming records (a) permitted records destruction, allowing reuse of filing equipment and avoidance of additional expenditure for new equipment and floor space; (b) provided a security copy for irreplaceable records, such as the State Constitution; and (c) provided duplication of records for distributed use at multiple locations, such as the microfiche of the Montana Codes Annotated.

Approved 103 separate requests for disposal of 8,100 cubic feet of state records. This is equivalent to recycling 1,013 four-drawer file cabinets, representing a potential cost avoidance of \$151,950 for equipment and an annual \$13,169 for floor space. Additionally, 14 requests for disposal were rejected, providing immeasurable benefits to the state in terms of legal, investigative, or historical ramifications.

Stored an average of 6,577 cubic feet of records per month in the state records center. This is equivalent to recycling 822 four-drawer file cabinets, and represents a cost avoidance of \$123,318 for equipment and an annual \$10,686 for floor space.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Agencies should be encouraged to more fully utilize the state records center and to microfilm vital records which, if lost, could cause severe hardship to members of the public or to operation of the agency.

STATE TAX APPEAL BOARD Disbursements: FY 78 \$172,958
FY 79 \$239,307

PROGRAM DESCRIPTION: The State and County Tax Appeal Boards were created by legislation enacted by the 1973 Legislature to implement the provisions of Article VIII, Section 7, of the Montana Constitution. The sections of the Codes involved are 15-2-101 through 15-2-305 and 15-15-105, MCA. The

purpose was to create a tax appeal system which would encompass all kinds of appeals from the decisions of the Department of Revenue. For small taxpayers, appeals are possible on the local level before their neighbors. They may also appeal to the State Tax Appeal Board without the necessity of hiring an attorney; and do not have the expense of traveling to Helena for themselves and their witnesses.

County appraisers and assessors are also saved the time and expense (to the state) of traveling to Helena. Hearings on large appeals, when several staff members of the Department of Revenue stationed in Helena are involved, are usually held in Helena. The appeals systems handles tax protests involving amounts from five dollars to many millions of dollars. District courts rely on the record made before the state board in making decisions on tax cases appealed to them.

PROGRAM BENEFITS: Previous to FY 1979, the state board heard between 250 and 300 appeals each year. In FY 1979, slightly more than 1,400 appeals were filed, and it appears that the case load will be even heavier in FY 1980. Many times this number of appeals were heard by the county boards. It is important that taxpayers have an independent forum, completely separate from the Department of Revenue, where they may air their grievances. In a suprising number of instances, differences between taxpayers and the Department of Revenue can be settled without rancor, at hearings, particularly on the county level. This sometimes happens before the State Board. Win or lose, when STAB members conduct hearings, taxpayers are almost universally pleased that someone from state government is willing to come to their area and hear their complaints.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Members of the state board travel each year to meet with county board members. These sessions are aimed at training for and liaison with county boards. However, if funds were available, a two- or three-day meeting at some central locations where county boards could be exposed to district judges, independent appraisers, tax lawyers, other experts, and county board members from other parts of the state. This would improve the quality of hearings and decisions on the county level, and should result in fewer appeals to the state board and fewer appeals to the courts.

TEACHERS' RETIREMENT PROGRAM Disbursements: FY 78 \$16,489,053
FY 79 \$20,566,293

PROGRAM DESCRIPTION: This program provides retirement, disability, and survivor benefits for the state's teachers in accordance with state statutes as provided in 19-4-101 through 19-4-1002, MCA, and 2-18-501 through 2-18-503, MCA. More than 16,000 active and 4,358 retired members are currently being served.

PROGRAM BENEFITS: The state's educational system is strengthened because teachers' financial worries are alleviated by knowing their retirement years are properly provided for.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The program is currently in phase three of a nine-phase study of our computerized system. It is recommended

that the study be given further consideration to improve the scope and efficiency of this particular operation. Also, the microfilming program should be continued.

TRANSPORTATION OF PRISONERS PROGRAM Disbursements: FY 78 \$84,998
FY 79 \$92,187

PROGRAM DESCRIPTION: The Transportation of Prisoners Program is charged with the approval and processing of travel claims submitted by the county sheriffs. This program has been transferred to the Department of Justice.

PROGRAM BENEFITS: The program relieves the counties of the financial burden of extraditing prisoners and transporting them to the State Prison at Deer Lodge.

TREASURY DIVISION PROGRAM Disbursements: FY 78 \$7,000,769
FY 79 \$6,721,110

PROGRAM DESCRIPTION: The Treasury Division receives and accounts for all monies deposited by the various agencies, and pays it upon demand. The program is responsible for the custody and accountability of all state monies and securities belonging to or held in trust by the State of Montana. In addition, it is responsible for keeping records of account of all state monies deposited in banks throughout the state and protecting these deposits by maintaining adequate pledged collateral to cover all amounts on deposit and serving as the paying agency for all outstanding bonds payable.

PROGRAM BENEFITS: The Treasury Program functions as the state's bank by receiving and safeguarding money, and paying it upon demand. It also functions as a trust institution in acting as custodian for the safekeeping of all securities, both invested and deposited, and in servicing the same.

The State Treasurer serves as the central bank for all state agencies and the accounting entities administered by them.

In operating the State Treasury System, agencies have two options: (a) deposit directly with the State Treasurer, or (b) deposit in an approved commercial depository to the credit of the State Treasurer. In either case, all money deposited with the State Treasurer finds its way first into a commercial demand bank account secured by collateral deposits.

To the maximum extent possible, money held by the State Treasurer is invested.

As with most states, the initial disbursement of funds is made by warrant which, in essence, is a sight draft on the State Treasurer.

Prompt payment of bonded indebtedness and the accurate accounting of bonds and coupons presented for payment enhances the state image in issuing of new bonds for various agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Still on the drawing board are specifications for faster accounting of monies held by paying agents for paying of bonds and coupons presented at the paying agent banks in New York, Chicago, etc.

DEPARTMENT OF ADMINISTRATION

WORKERS' COMPENSATION COURT PROGRAM Disbursements: FY 78 \$154,743
FY 79 \$158,167

PROGRAM DESCRIPTION: This program exists as the result of legislative action in the 1975 session. The 1977 Legislature passed the "Victims of Crime" bill and designated the Workers' Compensation Court as the court of appeals.

PROGRAM BENEFITS: In FY 1979, the Court participated in 2,128 activities, summarized as follows: cases docketed, 184; notice given, 370; pretrials, 166¹; hearings, 176²; findings of fact and conclusions of law and final orders, 76; orders, 225; files returned, 200; compromise settlements processed, 694. There were 14 appeals to the Supreme Court and 23 Supreme Court opinions.

Specific benefits to the general public from the operation of the court in FY 79 were the continuing stability in adjudicating disputed claims between workers, insurance carriers and employers through a regular and permanent schedule and speedy resolutions of the problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: At the present time, recommendations for improving the program consist of adding an additional hearing examiner, who is an attorney, to the staff to assist in legal work that has grown burdensome for the judge who is required to conduct the trials and other legal work as well as rendering an increasing number of decisions. This is true despite the drop in the number of petitions filed, because the length of the trials and the number of witnesses being called has increased substantially; the legal questions are more complex and numerous than ever before and seem to be increasing all the time.

VIETNAM VETERANS HONORARIUM PROGRAM Disbursements: FY 78 \$ 15,853
FY 79 \$ 0

PROGRAM DESCRIPTION: The 1977 Legislature extended the filing date deadline for Vietnam era veterans to obtain a Montana Veterans Bonus for service in the Vietnam area to July 1, 1977, and provided funds for the payment of the remaining bonuses for Fiscal Year 1978.

PROGRAM BENEFITS: Bonus payments totaling \$15,853 were made to 100 claimants during Fiscal Year 1978. To date the program has provided bonus payments to 11,940 claimants for a total expenditure of \$2,773,716.

¹Because of the cost and burden to the parties and the Court, pretrials are no longer required in those cases that have been previously pretried, vacated and set for pretrial again.

²These figures differ from the FY 78 report because the number of required pretrials have been reduced and because hearings on continuances and vacations are no longer required.

SBAS UPGRADE PROGRAM Disbursements: FY 78 \$356,966
FY 79 \$ 88,737

PROGRAM DESCRIPTION: The Statewide Budgeting and Accounting System (SBAS) Program was established to account for expenditures associated with the upgrade of the Statewide Budgeting and Accounting System authorized by the 1977 Legislature. The program terminated June 10, 1978.

AGENCY DESCRIPTION:

The Department of Agriculture was established to encourage and promote the interests of all agricultural and allied industries in Montana; collect and publish statistics relating to the production and marketing of agricultural products; assist, encourage and promote the organization of farmers; gather and diffuse marketing information; and administer regulations pertaining to production and marketing of food and fiber products.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department's Affirmative Action Plan, as approved by the Department of Administration, is maintained by Centralized Services personnel and is readily available to every employee. The plan is designed to effect non-discrimination in all personnel-related activities. The Department also maintains representation on the Interdepartmental Coordinating Committee for Women.

CENTRALIZED SERVICES PROGRAM Disbursements: FY 78 \$200,912
FY 79 \$276,561

PROGRAM DESCRIPTION: Centralized Services is responsible for administering the Rural Development and Marketing programs, promoting the interests of all agriculture and allied industries and providing an efficient system to coordinate inter-divisional authority and accountability in administration functions for effective discharge of departmental responsibilities.

PROGRAM BENEFITS: The Centralized Services Division provides support to all other programs in the Department, performing administrative responsibilities including accounting, fiscal management, payroll, purchasing, property control, personnel and EEO administration.

The Department was reorganized, making more efficient use of existing Department resources by consolidating ten separate operating divisions into three functional divisions with underlying bureaus and a Commodity Service Unit. The reorganization was designed to provide more responsive service to the critical and rapidly changing needs of the agriculture industry.

The Director of the Department of Agriculture is charged with the responsibility of representing agricultural interests of producers and consumers in the State of Montana. He effects these responsibilities by participating on the National Animal Damage Control Committee, providing testimony at Congressional Hearings on rail car shortages, meat imports, Yellowstone Water preservation and water related issues; by involvement in efforts on the Milwaukee Railroad abandonment; and by implementing gasohol legislation and providing input to the State Rail Plan.

The Director represented the Department in over 95 presentations to numerous farm organizations throughout the state, as well as participating on various panel discussions.

PROGRAM BENEFITS: By statute, the Director is a member and secretary of the Board of Hail Insurance and an ex officio member of the Wheat Research and Marketing Committee. The Director also is a member of twelve additional state, regional and national agricultural-related organizations and committees.

DEPARTMENT OF AGRICULTURE

The Director is also directly responsible for administering the Hail Insurance, Transportation, Wheat Research and Marketing, Crop and Livestock units of the Department and the Old West Regional Commission grants.

The Marketing Program provided direct assistance to 8 Montana firms in foreign market development, participated in two foreign food shows, and provided 99 Montana agricultural firms with foreign trade leads.

One Montana farm reported \$140,000 in export sales of honey to Europe; three other firms received foreign label clearance to enter new foreign markets.

One thousand two hundred (1,200) head of cattle and sheep and other agricultural products were shipped to Japan and Korea.

Marketing and statistical information was provided in response to 733 requests. The Department offered 22 presentations regarding Montana activities affecting Montana's agricultural industry.

The Marketing Program oversees two Old West Regional Commission Marketing contracts which are held by the Department.

The Rural Development Program is totally funded from federal rural rehabilitation funds. Funds are provided to substandard income rural Montanans for farm-ranch real estate, livestock, operating, student education, youth livestock and agribusiness loans. The program also coordinates the Department's interest in natural resource activity.

The Rural Development Program provides for the advancement and preservation of agriculture through financial assistance in the form of 129 loans valued at \$1,282,450. These loans are basically youth oriented and designed to assist and encourage young men and women in agriculture by providing them opportunities to establish and expand agricultural projects through financial assistance and personal involvement.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide information publications to agriculture groups and farm leaders.

Accommodate the Legislative Auditor's recommendation by automating departmental licensing and registration through use of data processing.

Continue efforts to comply with the Legislative Auditor's recommendation to report rural development accounts receivable within the Statewide Budgeting and Accounting System.

Provide opportunities to expand marketing of Montana agricultural products.

Expand support staff (as allowed in federal funding authority) for improved servicing and control of rural development programs and accounts.

DEPARTMENT OF AGRICULTURE

Implement gasohol program in cooperation with the Wheat Research and Marketing Unit.

Provide more efficient operations by combining the Marketing Program with the Transportation Unit and placing rural development under the Director's Office.

HAIL INSURANCE UNIT Disbursements: FY 78 \$ 82,905
FY 79 \$114,421

PROGRAM DESCRIPTION: The Hail Insurance Unit, totally funded by participating farmers and ranchers, is responsible for administration of Montana's hail insurance laws and for offering grain growers insurance and protection against crop loss due to hail. One percent of the gross annual levies collected goes to the counties and two percent (2%) to the state for administration.

PROGRAM BENEFITS: The unit provides \$18 per acre coverage on all grain crops on non-irrigated land and \$36 on irrigated land. Barley is limited to \$15 on non-irrigated land and \$30 on irrigated land.

	<u>CY 1977</u>	<u>CY 1978</u>
Hail Policies Issued	2,146	2,625
Hail Loss Claims	299	912
Counties Participating	37	37
Premium Income	\$ 949,468	\$ 1,541,597
Total Dollar Coverage	\$10,692,679	\$17,059,113
Total Dollars Loss Paid	\$ 335,896	\$ 1,626,810

SIXTY-ONE YEAR STATISTICS

Total Risk Written	\$310,474,579
Premium Charge	\$ 27,113,812
Losses Paid	\$ 20,083,763
Policies Issued	122,291
Total Refunds - "Dividends"	\$ 4,063,911
Total Paid to Counties and State	
General Funds	\$ 795,774

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Adjust individual county rates to more accurately reflect 61 year loss vs. levy ratios.

Increase barley coverage from \$15 to \$18 on non-irrigated land and \$30 to \$36 on irrigated land.

Increase all coverage to \$24 on non-irrigated land and \$48 on irrigated land when reserve fund meets actuarial requirements.

CROP AND LIVESTOCK REPORTING UNIT Disbursements: FY 78 \$45,494
FY 79 \$50,807

PROGRAM DESCRIPTION: The Crop and Livestock Reporting Unit serves the agricultural industry of Montana, allied interests and the general public

in collecting and publishing statistics on a state and county basis relating to the production and marketing of crops, livestock, and other agricultural products.

PROGRAM BENEFITS: Comprehensive, regular and special statistics on production, marketing, and transportation of agricultural products are utilized to reduce farm to retail price spreads, minimizing consumer prices. Agricultural statistics provide a necessary component to knowledge and analysis of the state's economy for long- and short-term planning. During FY 1978, 113,336 statistical reports were published under the cooperative agreement between the Crop and Livestock Reporting Unit and the U.S. Department of Agriculture.

In addition, Volume XVII of "Montana Agricultural Statistics" was published and mailed to 2,500 data users. This biennial bulletin provided a comprehensive statistical picture of the state by counties.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Preparation and publication of the publication "Montana Agricultural Statistics" on an annual basis to improve timely provision of county agricultural statistics to data users.

TRANSPORTATION UNIT Disbursements: FY 78 \$78,063
FY 79 \$71,402

PROGRAM DESCRIPTION: The Transportation Unit works to ensure Montana's transportation users the availability of adequate and efficient transportation services at just and reasonable rates and charges. The program provides transportation expertise for evaluation of, and solutions for, present and future problems, representing agricultural shippers at administrative proceedings before state and federal transportation regulatory agencies. The Transportation Unit maintains and expands data base as well as reference and resource materials reflecting Montana transportation statistics.

PROGRAM BENEFITS: The Transportation Unit represented Montana in 32 formal matters before the Interstate Commerce Commission and 9 formal cases before the Montana Public Service Commission, resulting in a benefit to cost ratio of \$72/1 for the biennium. The program has participated in many litigation cases involving freight rate cases, carrier practices, etc., realizing millions of dollars in transportation services.

The unit qualified Montana for a rail planning grant, implementing Phase I of the State Rail Plan. The unit was, and is, heavily involved in the ongoing proceedings of the Milwaukee Railroad abandonment. Private groups, congressmen, Montana's Attorney General's Office and many others are provided with resource information by the Transportation Unit.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Transportation activities are affected by 4 major actions: (1) those by courts; (2) those by regulatory agencies; (3) those by Congress and state legislators; and, (4) those by carriers. It is proposed to expand the transportation program so its activities can be more responsive to the above described actions. A great deal of legislation is proposed or enacted which deals with transportation.

The 4-R Act is a prime example. Montana agriculture should be represented at hearings on such matters and offer testimony. We are unable to do this due to limited staff.

A matter of vital concern is also the proposed waterways user tax. We should be actively involved in drafting and proposing new legislation at the federal and state level. This function could and should be performed by a "Commerce Section" within the Transportation Unit.

It is incumbent that Montana seek long term solutions to our transportation/marketing problems of handling and shipping grain.

WHEAT RESEARCH AND MARKETING UNIT Disbursements: FY 78 \$414,211
FY 79 \$473,439

PROGRAM DESCRIPTION: The Wheat Research and Marketing Unit, totally funded by participating grain producers, is responsible for encouraging and promoting the development of markets for Montana wheat and barley and encouraging and promoting intensive scientific and practical research into all phases of wheat and barley culture, production and use.

PROGRAM BENEFITS: The Wheat Research and Marketing Unit has participated in transportation actions to reduce grain producers transportation costs by direct man hour involvement and by contracting for services of private freight rate consulting firms.

The unit, together with the Department's Transportation Unit, has helped save millions of dollars for Montana grain producers by challenging proposed freight rate increases.

The unit has provided for research into new production and uses for barley and wheat, such as barley starches and syrups, and projecting the feasibility of utilizing Montana grain for such use. Research continues on a maltose syrup from barley.

Overseas markets have been negotiated with a special procurement team from the Republic of China coming to Montana for the express purpose of buying Montana wheat and barley.

Trade teams have been continually encouraged to purchase Montana products.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide resources serving Montana agriculture for improved marketing, transportation and production of wheat and barley.

ENVIRONMENTAL MANAGEMENT DIVISION Disbursements: FY 78 \$428,313
FY 79 \$897,781

PROGRAM DESCRIPTION: The Environmental Management Division is responsible for administering the Montana Pesticides Act, the Insect Surveillance and Detection Act, the Noxious Plant Management Assistance Act, and the Department Chemical Analytical Laboratory and for providing technical and consultant services to agriculture in the environmental and pest management program areas.

PROGRAM BENEFITS: Division personnel assisted in providing pesticide training to 8,100 farmers and ranchers, allowing them to qualify to purchase and apply restricted use pesticides. Division personnel provided weed management and aquatic weed management training for 120 individuals. Additional training was provided to pesticide dealers (488), elevator operators and seed treaters (272), aerial applicators (97), and commercial pesticide applicators (190), and assistance was provided to several industry-sponsored programs.

The division received, investigated, and resolved 52 pesticide complaints and pesticide damage cases, which included insuring that individuals receiving damage to crops or ornamentals were reimbursed for damages; prevented the marketing of contaminated foods; and determined if soils contaminated could be utilized for crop production the following year.

Insect surveillance of the state's major agricultural crops resulted in the prevention of the loss of portions of crops to insect damage. Technical assistance provided to producers resulted in identification of pest problems and appropriate treatment.

The preparation and publication of three manuals annually (insecticide, herbicide, and fungicide) provides applicators and dealers a concise listing of all registered pesticides in Montana as well as application rate, pests controlled, and special restrictions on each pesticide product.

The division began several pesticide efficacy and residue studies in cooperation with the cherry, seed potato, grain, and alfalfa seed industries. Results indicate that under some conditions, such as proper timing of the applications, pesticide usage may be decreased without a consequent loss in production due to pest damage.

Consumer protection was accomplished through dealer formulation, plant, and applicator inspections and a pesticide sampling and analysis program: 2,207 official inspections were conducted along with visits to resolve individual problems. The issuance of 79 major violations for pesticide misuse prevented environmental contamination and protected public health. Private applicator use observations were initiated in the spring of 1979 to provide assistance to producers in helping them resolve their pesticide and pest problems. Two hundred sixty (260) use observations were conducted prior to July 1, 1979.

The division issued 44 special local need [24(c)] pesticide registrations to use when a special local need exists and there is not a federally registered chemical available to control pest problems. The division applied for and received 4 specific exemptions from EPA to resolve pest problems for which there were not efficacious pesticides registered.

The division's analytical laboratory has been upgraded to handle most pesticide analyses in addition to the feed and fertilizer sample analysis. Two thousand eighty-two feed and fertilizer samples were received and 10,821 analyses were conducted. Four hundred ninety-one pesticide samples

were received which required 790 chemical analyses to be performed. The feed and fertilizer and pesticide analyses are conducted for enforcement purposes, as a service to producers, and for technical studies being conducted by the division.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The program improvements listed in the 1978 annual report have, to a great extent, been accomplished. These include: a desire to improve pest management services to producers; the desire to expand the cooperative agreement with the EPA in enforcement and certification activities; employment of an attorney and an additional pesticide specialist; increased monitoring and technical assistance to commercial, government and private applicator pesticide operation; increased laboratory capabilities for pesticide use and feed and fertilizer analysis; and implementation of a data processing system.

The desire for the future is to improve internal management procedures for all program areas to insure that the various program components remain compatible and are consistent with the goals and objectives of the division. Additionally, there is a need to ensure that the monies spent are cost effective for Montana agriculturists and taxpayers alike. The preventive enforcement program must continue to provide service to Montana's agriculture and at the same time provide protection for Montana's quality environment. Decreased energy consumption is also a goal that the division will strive to attain.

PLANT INDUSTRY PROGRAM	Disbursements: FY 78 \$588,298
	FY 79 \$632,206

PROGRAM DESCRIPTION: The Plant Industry Program exists to implement the provisions of: Horticulture Standards, Storage and Merchandising -- Title 80, Chapter 3, inclusive; Grain Standards, Storage and Merchandising -- Title 80, Chapter 4, inclusive; Agricultural Seed -- Title 80, Chapter 5, parts 1, 2, and 3 inclusive; Apiculture -- Title 80, Chapter 7, parts 1, 2, and 3 inclusive; Commercial Feeds -- Title 80, Chapter 9, inclusive Commercial Fertilizers -- Title 80, Chapter 10, inclusive by providing for the administration and enforcement of the regulatory laws controlling the marketing/production/manufacturing of agricultural commodities exported from or distributed within the state.

This program consists of three bureaus: 1) Commodity Services Bureau; 2) Grain Standards Bureau; and 3) Specialized Services Bureau. These bureaus work cooperatively to provide professional services to agricultural industries.

PROGRAM BENEFITS: Specific benefits to the general public include the investigation of consumer complaints; performance of technical inspections/surveys for related agricultural industries; issuance of federal-state grade certificates for grain, dry beans, potatoes, cherries, and flour shipments. The program, in cooperation with federal agencies, disseminates information to consumers and producers in program areas of apiculture, horticulture, seed, grain, feed and fertilizer.

DEPARTMENT OF AGRICULTURE

Specialized surveys for plant insects/plant disease provide essential information for development of plant quarantines. Data also collected by the surveys provide information necessary to meet specific export requirements for agricultural products.

The quality of feeds, fertilizers, seeds, and fresh fruits and vegetables has been maintained at a high level due to inspection surveillance programs. Inspectors performed 14,310 inspections and investigated 3,806 consumer complaints.

Approximately 1,921 samples of seed and fertilizer were collected by inspectors for analytical purposes. Approximately 7,200 animal food, pet food, and fertilizer labels were reviewed and compared with analytical results to determine if Montana citizens were receiving inferior or fraudulent products.

The Specialized Services Bureau registered 1,119 beekeepers; 8,128 apiaries; and 183,137 hives. Inspection and control programs depressed the incidence of disease below the 1% level.

Approximately 11,054 federal-state grade certificates were issued for 3,448 tons of sweet cherries and 2.9 million cwt of seed potatoes.

The Plant Industry Program, in cooperation with USDA-APHIS, assisted 209 agricultural producers with insect and disease problems.

The program converted from the Kjeldahl Method for determining protein to the approved near-infrared reflectance (NIR) devices. The new approved equipment allows the Department to provide protein results within ninety seconds on each prepared sample. Implementation of the NIR was accomplished in FY 1979. Protein determination costs will be reduced.

GRAIN STANDARDS BUREAU INSPECTION DATA

	<u>FY 1978</u>	<u>FY 1979</u>
<u>Official Samples</u>		
Inspection (Car)	7,170	3,297
Protein	7,400	5,081
<u>Submitted Samples</u>		
Sample Inspection	24,906	30,225
Sample Protein	34,632	40,003
<u>Malt Analysis</u>	4,777	4,350
<u>Miscellaneous Factors</u>		
Ineffectual	18,108	30,774
Special Handling	13,496	16,197
<u>TOTAL</u>	<u>110,489</u>	<u>129,927</u>

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop and implement a computer data base program to compile program statistics, to process and issue agricultural licenses, and to assist in product registrations.

Expand program personnel to include a medicated feed specialist, and apiculture specialist, and a plant pathologist.

Expand inspection personnel to improve sampling and surveillance functions. Provisions should be made to allow the division to purchase state vehicles for field personnel and to realign assigned functions to conserve energy.

Provision should be allowed for the division to expand quarantine control programs.

Provision should be made to allow the program to seek USDA and FDA support funds for the development of specific plant industry related programs.

STATE AUDITOR

AGENCY DESCRIPTION:

The Montana State Auditor, a constitutional office, has statutory duties to superintend the fiscal concerns of the state; to suggest plans for improvement and management of public revenues, to keep an accounting system of all state funds and pay into the treasury all funds and fees received.

Traditionally, the Montana State Auditor is responsible for examining the legality of all obligations or claims incurred by state government. When such obligations or claims are found to be legally valid, the auditor pays them by issuing a warrant directing the treasurer to release a specified sum of money to the payee.

The state auditor, as ex officio commissioner of insurance, is empowered with duties to license and regulate insurance companies and agents in Montana.

The state auditor is ex officio investment commissioner. As investment commissioner, the auditor regulates and registers issuers, broker-dealers, and investment advisers and licenses salesmen to sell securities.

The state auditor is director of the state central payroll system. This division is responsible for paying all state employees.

The state auditor is a member of the State Land Board, the Board of State Canvassers, the State Board of Automatic Election Devices and the State Hail Insurance Board.

Programs of the State Auditor's Office exist to serve the residents of this state in the area of protection in insurance and investment purchases, payment of state obligations and payment of state employees.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$123,183
FY 79 \$135,509

PROGRAM DESCRIPTION: The program provides the administrative function of the State Auditor's Office.

PROGRAM BENEFITS: The program benefits the general public in that all functions of the State Auditor's Office are available to the public at all times.

FISCAL MANAGEMENT AND CONTROL DIVISION Disbursements: FY 78 \$269,228
FY 79 \$279,204

PROGRAM DESCRIPTION: This program is responsible for:

1. Direct mailing of State of Montana warrants, replacement of lost or damaged warrants and final storage of cashed warrants.
2. Depositing and receipting of all fees collected by the insurance and investment divisions.

PROGRAM BENEFITS: Mailing of warrants on the same day as they are issued gets the money recirculated in the state's economy. Prompt depositing of fees collected allows the investment board to gain interest on the money as soon as possible.

STATE AUDITOR

CENTRAL PAYROLL DIVISION Disbursements: FY 78 \$186,528
FY 79 \$202,850

PROGRAM DESCRIPTION: The major function of this program is to install and operate a central payroll system for state employees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The payroll system is committed to an integrated payroll/personnel/position control system to synchronize the expenditure of personal services with budgetary control and personnel functions. This will provide state government with effective and accurate management data.

INSURANCE PROGRAM Disbursements: FY 78 \$400,107
FY 79 \$381,941

PROGRAM DESCRIPTION: This program exists for the regulation of the insurance industry in order to protect the insurance buying public and:

1. To provide the insurance buying public with financially solvent companies and to assure them of the solidity of insurers, including examination of the affairs, transactions, accounts, records and assets of each authorized insurer as often as is deemed necessary;
2. For the purpose of maintaining fairness in insurance transactions, to examine accounts, records, documents and transactions of agents, managers, etc., pertaining to or affecting insurance affairs or proposed insurance affairs;
3. To collect all insurance and license fees as provided for by the insurance laws of the state;
4. To require that any insurer transacting business in this state be authorized by a subsisting certificate of authority;
5. For the protection of the people of this state, to require that any agent or solicitor must qualify by written examination for license in compliance with the code and be licensed;
6. To regulate trade practices in the business of insurance by defining or providing for determination of all such practices in this state which constitute unfair methods of competition or unfair or deceptive acts or practices, and by prohibiting the trade practices so defined or determined;
7. To promote public welfare by regulating insurance rates as provided in the code so that they shall not be excessive, inadequate or unfairly discriminatory, and to authorize the existence and operation of qualified rating organizations and advisory organizations;
8. To provide that no basic insurance policy or annuity contract form or application form where written application is required by law and is to be made a part of the policy or contract or printed rider or endorsement form or form of renewal certificate shall be delivered, or issued for delivery in this state unless the form has been filed with and approved by the insurance department.

STATE AUDITOR

9. To allocate amounts of funds to be distributed from premium taxes collected to other sources as provided by law.

PROGRAM BENEFITS:

1. The policyholders service division, handling consumer complaints, has been instrumental in recovery of \$1,109,687 for policyholders for the fiscal year ending June 30, 1978; and \$982,578 for the fiscal year ending June 30, 1979.
2. \$14,367,308 was collected in premium taxes and other fees for the year ending June 30, 1979. \$12,656,322 was collected in premium taxes and other fees for the year ending June 30, 1978.
3. Revised licensing laws in the 1979 legislative session to facilitate licensing of insurance agents. This will save time and money.
4. Revised various other insurance laws in the best interests of the general public.
5. Adopted a rule prohibiting unfair discrimination on the basis of sex or marital status in the availability of insurance coverage.
6. Adopted a rule pertaining to disclosure statements in sale of Medicare supplements.
7. Adopted a rule prohibiting unfair discrimination on the basis of blindness or partial blindness.
8. Conducted public hearings on title insurance rates and trade practices in order to determine whether further hearings should be held to consider rules. Results are not available at this time.
9. Three staff members completed and were certified in courses in group health insurance.
10. Participated in task force committees on a national level, including task force on products liability and credit life and health insurance.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue study on title insurance.

Continue educational programs.

Continue participation in the National Association of Insurance Commissioners, national and zone task force committees, and seminars and meetings.

INVESTMENT DIVISION	Disbursements: FY 78	\$81,246
	FY 79	\$80,772

PROGRAM DESCRIPTION: The Office of the Investment Commissioner exists for the administration of the provisions of the Securities Act of Montana -- for the protection of investors in securities against the imposition of nefarious and unsubstantial schemes and the securities based upon them.

PROGRAM BENEFITS: Specific benefits for the biennium were in the following:

Received and concluded 333 letters of inquiry during 1978.

Received and concluded 301 letters of inquiry during 1979.

Total aggregate of securities offered - 1978 - \$2,609,202,331.

Total aggregate of securities offered - 1979 - \$3,775,383,562.

Reviewed 759 issuers, licensed 719 - 1978.

Reviewed 891 issuers, registered 849 - 1979.

Reviewed and licensed 131 broker-dealers - 1978.

Reviewed and licensed 135 broker-dealers - 1979.

Reviewed and licensed 1,367 securities salesmen - 1978.

Reviewed and licensed 1,466 securities salesmen - 1979.

Reviewed and licensed 12 investment advisers - 1978.

Reviewed 15 investment advisers, registered 14 - 1979.

Reviewed and concluded 90 exemption or exception requests - 1978.

Reviewed and concluded 78 exemption requests - 1979.

Enforcement:

10 cease and desist letters issued - 1978.

15 cease and desist letters issued - 1979.

One injunction each year

10 cases referred for prosecution, 2 indicted, 2 convicted - 1978.

3 cases referred for prosecution, 1 indicted - 1979.

2 cases referred to other states during 1978.

1 case referred to another state during 1979.

Remainder of cases pending or concluded, requiring only a letter or telephone call.

\$176,600 returned to Montana investors.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS: Continually strive to improve the efficiency of both services and protection to the Montana investment community.

The addition of an attorney to the staff. It is important to establish a closer liaison between the 56 county attorney offices within the state, with other state departments, the Federal Securities and Exchange Commission staff and other state securities commissioners.

AGENCY DESCRIPTION:

The Department of Business Regulation was established under the Executive Reorganization Act of 1971; it is provided for in Sections 2-15-1801 through 2-15-1804, MCA. The Department's function is to regulate the various business entities subject to its jurisdiction, including banks and other state chartered or licensed institutions, the milk industry, and all weighing and measuring devices in Montana. The Department also administers consumer protection laws and the Unfair Practices Act, and establishes minimum criteria for and licenses proprietary postsecondary schools.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Business Regulation to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, ex-offender status and sex. To this end, we are implementing and will sustain a deliberate effort to equalize employment opportunities for minorities and women at all levels and in all segments of the Department's work force.

Affirmative action to eliminate discrimination on the above-named basis (except where sex, ex-offender status and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to, employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, layoff, terminations and conditions of employment. All applicants for Department employment will be recruited from the available labor market and employed in accordance with each person's qualification and abilities.

CENTRALIZED SERVICES PROGRAM Disbursements: FY 78 \$129,894
FY 79 \$137,069

PROGRAM DESCRIPTION: The Centralized Services Program functions as a support to the other programs in the Department, performing day-to-day administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control, personnel, and legal assistance. The program's goal is to increase efficiency in administrative operations to provide the most effective level of support to the Department.

PROGRAM BENEFITS: The program provided the necessary support to the other programs in the Department, performing administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control, personnel and legal services, as follows:

	<u>FY 1978</u>	<u>FY 1979</u>
Administrative Proceedings	27	29
Court Appearances	18	7
Legal Rules Drafted	6	5
Legal Opinions	11	5
Briefs Filed	17	13
Court Cases Filed	5	7
Court Cases Concluded	4	3

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase program staff by one FTE (Accountant) to provide professional management of budget preparation and six-year plans; to implement and maintain the upcoming "Personnel/Payroll System"; to implement and maintain the new Property Accountability Management System; to implement, monitor and maintain various "Cuts Programs"; to implement, monitor and maintain "Auto Travel Restrictions"; etc.

WEIGHTS AND MEASURES PROGRAM Disbursements: FY 78 \$237,003
FY 79 \$255,578

PROGRAM DESCRIPTION: The Weights and Measures Program is responsible for testing and inspecting all weighing and measuring devices, and calibrating all weights and measures. Also, the program investigates complaints about violations of weights and measures laws and regulations; regulates labeling, advertising, and quantity control of prepackaged products; licenses all state petroleum dealers; and collects license and scale test fees. The goal of the program is to insure that equity prevails in all commercial transactions involving determination of quantity.

PROGRAM BENEFITS: The most specific benefits to the general public resulting from the operation of the program during the last biennium were the following:

	<u>FY 1978</u>	<u>FY 1979</u>
Licenses issued	5,892	5,802
Inspected and tested the following devices:		
Scales	7,984	7,953
Measuring Devices	7,283	7,495
Tank Calibrations	37	3
Measures Calibrated	34	34
Weights Calibrated	987	1,079
Complaints Handled	254	265
Packages Tested	12,276	14,935

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide technical training for field inspectors.

Intensify investigations relating to the use of weighing and measuring devices.

Continue to provide public education on the metric system.

FINANCIAL PROGRAM Disbursements: FY 78 \$399,339
FY 79 \$437,181

PROGRAM DESCRIPTION: The Financial Program is responsible for chartering, licensing, supervising, and examining state banks, savings and loan associations, credit unions, consumer loan licensees, and sales finance companies. The major goals of the program are to effectively act as guardian of the public's interests in Montana's financial institutions, and to prevent loss resulting from mismanagement or insolvency of state financial organizations.

DEPARTMENT OF BUSINESS REGULATION

All solicitations for applications for employment and the selections of new employees have been within the requirements of the Freedom from Discrimination Act. All granting of licenses and applications for new state chartered financial institutions have been acted upon in conformity with the act.

PROGRAM BENEFITS: The program performed the following in promoting and protecting the public's interest:

Supervised organization and opening for business of new banks in Butte, Glasgow (FY '78); Lewistown, Helena, and Billings (FY '79).

Adopted rules of implementing application procedures for EFT installations by banks.

	<u>FY 1978</u>	<u>FY 1979</u>
Bank Board Hearings (re: new bank applica- tions and changes of location)	5	6
Conferences held with boards of directors of financial institutions and instituted corrective or strengthening programs in most cases.	10	17
Examinations conducted:		
In banks	82	92
In finance companies	47	51
In credit unions	14	10
In savings and loan associations	3	3

Was instrumental in the enactment of new legislation to give the Department power to issue cease and desist orders for more effective means of eliminating hazardous, self-dealing, or irregular activities in banks.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Reduce employee turnover rate by increasing pay grade of experienced examiners.

Establish an "Early Warning System" to detect adverse trends in individual banks by compilation of an analysis of data received in quarterly reports from banks.

Provide means for educating and training several of our field examiner staff in developing expertise in examining EDP (electronic data processing) installation and programs.

MILK CONTROL PROGRAM Disbursements: FY 78 \$192,825
FY 79 \$194,650

PROGRAM DESCRIPTION: The Milk Control Program is responsible for assuring the milk producers of Montana the proper payment for their milk and

equitable treatment from purchasers of raw milk, preventing monopolies, and assuring an adequate supply of milk at a fair price to consumers.

PROGRAM BENEFITS: The most specific benefits to the general public resulting from the operation of the program during the last biennium were the following:

	<u>FY 1978</u>	<u>FY 1979</u>
Licenses Issued	413	412
Audit Months Completed	168	133
Recovered for Producers	\$55,005	\$145,952
Board Meetings Attended	7	10
Public Hearings Held	1	1
Promulgated or Amended Rules	7	0
Alleged Violations Investigated	17	23
Fines Levied and Collected	\$ 4,099	0
Annual Reports Disseminated	549	531
Price Announcements Dissemi- nated	13,176	13,275
Participated in District Court Cases	1	0
Supreme Court Cases	0	1

A stable market and an adequate supply of wholesome milk to consumers was provided.

The Milk Testing Program collected 2,102 raw milk samples in FY 1978 and 2,642 raw milk samples in FY 1979 from dairy farms for testing at the State Diagnostic Lab in Bozeman. The state lab tests were compared with the tests performed by the buyers of raw milk to determine if producer payments were based on proper butterfat test. Numerous errors in sampling and testing techniques were detected and corrected to the benefit of all Montana Grade A producers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The present license fee of \$2 is collected from each milk dealer and is deposited in the General Fund; the fee costs much more to collect than the revenue received. It is recommended that a "one-time" permanent license be issued to reduce the cost of licensing all milk dealers. It is further recommended that the Testing Program be restored to the level contemplated by the 1977 Legislature in order to guarantee producers the proper payment for their milk.

CONSUMER PROTECTION PROGRAM Disbursements: FY 78 \$106,593
FY 79 \$115,306

PROGRAM DESCRIPTION: The Consumer Protection Program has three primary areas of responsibility: Consumer Protection, Trade Regulation (Unfair Practices Act) and the Private Post-Secondary Education Bureau.

The Consumer Protection Act of 1973 is better known as the "Little F.T.C. Act". Additional Consumer Protection laws enforced by the division are as follows:

1. Fair Credit Reporting Act
2. Personal Solicitation Sales Act
3. Auction Sales and Auctioneers
4. New Motor Vehicle Dealers Act

Any unfair or deceptive act or practice in trade or commerce, as defined by the Federal Trade Commission, would be a violation of the Montana Consumer Protection Act.

PROGRAM BENEFITS: The most specific benefits to the general public resulting from the operation of this program during the last biennium were as follows:

	<u>FY 1978</u>	<u>FY 1979</u>
Total Consumer Contacts	2,665	2,713
Total Complaints Investigated	881	897
Total Complaints Closed	890	914
Dollar Amount of Complaints Investigated	\$1,290,700	\$1,984,642
Dollar Amount of Monetary Recovery to Consumers	\$ 225,091	\$ 170,906
"Consumer Alerts" Issued	14	11
Investigative Demands Issued	18	4
Assurance of Voluntary Compliance	4	2
Permanent Injunctions Issued	5	6
Informational Responses	284	237
Speaking Engagements and Workshops Conducted	32	25

New Motor Vehicle Dealers, as defined by the Act, are granted the right to request an administrative hearing before the Department when notified by a manufacturer, distributor, or importer that their franchise is to be terminated.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Unless the 1981 Legislature provides additional funding to hire at least two additional full-time employees, the Consumer Protection Program will deteriorate because of the demand for services placed on it by the general public in the past six years. The current six FTEs were authorized by the legislature in 1973, yet the demand for services has increased more than 310 percent. The Forty-Sixth Legislature did authorize .50 FTE to implement the New Motor Vehicle Dealer's Act.

PRIVATE POST-SECONDARY EDUCATION PROGRAM

PROGRAM DESCRIPTION: The Private Post-Secondary Education Program is responsible for regulating proprietary post-secondary educational institutions, assuring Montanans the opportunity to obtain and receive an education commensurate with their abilities and desires.

PROGRAM BENEFITS: The program was able to carry out more on-site school inspections in FY 1979 than any other year due to a school inspection form developed with the help of the Colorado Department of Education, Private Post-Secondary School Division.

The bureau worked with the Montana High School Counselors Association to supply information to high school seniors regarding educational options available after graduation.

It is hoped that the bureau will be included in any and all post-secondary educational efforts through special committees, etc., in order to assure continuity and communications regarding the regulation of all post-secondary education in Montana.

The bureau is working on an Attorney General's Opinion regarding a recent amendment to Title 20, Chapter 30, MCA. This opinion is necessary to determine exemption status of trade, professional, business and fraternal organizations offering educational courses in Montana.

	<u>FY 1978</u>	<u>FY 1979</u>
Number of Schools Licensed		
In State	18	16
Out of State	0	1
Number of Schools Terminated		
In State	2	1
Out of State	0	0
Number of Schools Pending		
In State	1	0
Out of State	0	0
Number of Agents Permits		
In State	31	26
Out of State	30	16
Number of Agents Permits Terminated		
In State	13	16
Out of State	15	8
Written Complaints Received	9	3
Written Complaints Closed	6	3
Written Complaints Pending	3	0
School Inspections	2	9

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for additional rules to strengthen licensing procedures and the removal of rules that have no functional reasons for existing.

TRADE REGULATION PROGRAM

PROGRAM DESCRIPTION: The Trade Regulation Program, which replaced the Board of Trade in 1973, is responsible for effectively enforcing the Unfair Practices Act and for insuring fair competition in state business.

PROGRAM BENEFITS: The most specific benefits to the general public resulting from the operation of the program during the biennium were as follows:

	<u>FY 1978</u>	<u>FY 1979</u>
Business Complained Against	38	25
In violation	(30)	(11)
No violation	(8)	(10)
Pending	(0)	(1)
Withdrawn	(0)	(3)

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The forty-sixth session of the legislature changed the appropriation from an established Earmarked Revenue Account to a General Fund appropriation. This resulted in the transfer of over \$170,000 to the General Fund. This program generates over \$60,000 per year in revenue for its administration via the Department of Revenue. It will be very essential that future legislative sessions keep this in mind when budget hearings are conducted.

AGENCY DESCRIPTION:

The Office of the Commissioner of Campaign Finances and Practices was created by the 44th Legislature, and exists under authority contained in Title 13, Chapter 37, MCA. It is attached to the Office of the Secretary of State for administrative purposes only.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$79,608
FY 79 \$89,888

PROGRAM DESCRIPTION: The program provides for the impartial administration and enforcement of the election laws relating to campaign finances and practices. The responsibility of the program, as determined by statutory authority, is to provide for standard and uniform campaign finance reporting through the promulgation of administrative rules and the preparation and distribution of report forms and prescribed uniform system of accounts for persons required to file information pursuant to Title 13, Chapter 37, MCA. In addition, it is to make all filed information available for public inspection; investigate all filed information and alleged violations; and, in conjunction with county attorneys, initiate civil or criminal action to enforce the provisions of Title 13, Chapters 35, 36, and 37, MCA, or any other provision of state law relating to election practices in any political subdivision of the state.

PROGRAM BENEFITS: Administratively, the program resulted in the disclosure of the source and disposition of funds utilized to influence elections in Montana and provided for a cursory review and partial public dissemination of such disclosures. It afforded the opportunity to provide routine educational assistance and perform limited investigations of alleged violations. It also assisted in a complete rewrite of the state's election laws.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand information and education programs; examine, audit, and provide wide public dissemination of information filed; and investigate and enforce alleged failures to file, falsifications, and violations. The accomplishment of these statutory mandates will insure total implementation, administration, and enforcement of the election laws relating to campaign finances and election practices; and will encourage citizen faith and participation in the election process by insuring the purity of elections and the election process and by promoting an atmosphere in which there is a ready availability of complete, uniform, and truthful information about candidates for public office and money influence in politics.

AGENCY DESCRIPTION:

The Department has one central purpose: to provide financial and technical assistance to local governments in the areas of community development, human resource development, planning, housing, transportation, fiscal management, and information gathering.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department's Affirmative Action Plan was approved by the EEO Bureau of the Department of Administration on March 10, 1977. The Director has reviewed the plan with all division administrators, and all DCA employees have been notified by memorandum of the availability of the plan and have been provided copies of the DCA Affirmative Action Policy Statement, Discrimination Complaint Procedure and Maternity Leave Policy. All applicants for employment are being reviewed by the EEO Officer, and any cases of possible discrimination are discussed with the administrator.

AERONAUTICS PROGRAM Disbursements: FY 78 \$ 924,113
FY 79 \$1,134,048

PROGRAM DESCRIPTION: The Aeronautics Board is a quasi-judicial board allocated to DCA for administrative purposes which may exercise its functions independently of the Department and without approval or control of the Department. The Air Transportation Bureau administers the state aircraft pool and provides aircraft transportation for state personnel. The Air Transportation Bureau was transferred to the position of a division within the Department at the close of the fiscal year. The Airport/Airways Bureau provides technical and financial assistance to communities in airport development, navigational aid development, communications, aviation safety and airport planning. This program plans, establishes, operates and maintains the state-owned system of airports, navigational aids and communications facilities. The Safety and Education Bureau enforces state law on pilot and aircraft registration; provides search and rescue for lost aircraft; aids the aviation community and education systems in upgrading aviation qualifications, furnishes aviation information and education materials to high school and college level students who wish to study aviation for a career, provides five college accredited summer workshops, and inspects and approves VA flight schools for training veterans in Montana.

PROGRAM BENEFITS: The Aeronautics Board was actively engaged in supporting state and national legislation to prevent loss of air service to small communities. It has also been deeply involved with the Civil Aeronautics Board in the determination of essential air service, subsidy levels and the replacement carrier selection for the eastern Montana route system which is being exited by Frontier Airlines. The board was involved in supporting the east-west route proposal of Alaska Airlines and also supported the Continental-Western Airlines merger. They conducted one Computer Air Carrier hearing to act on an application of Certificate of Public Convenience and Necessity. The Air Transportation Bureau chartered flights with Montana fixed base operators totaling \$44,828; rented aircraft totaling \$50,168; and flew state agencies a total of 1,279.6 hours.

DEPARTMENT OF COMMUNITY AFFAIRS

Through the Airport/Airways Bureau the general public benefited by continuing operation, development and improvement of Montana's state-owned system of 19 airways beacons, 22 non-directional radio beacons, 12 airports, and 55 air-to-ground communications facilities; \$122,000 in loans and grants for improvements on various community airports; a new low intensity runway lighting system at Richey; added airway beacons at Silver Bow, Homestake Pass, Bozeman Pass, McDonald Pass and University Mountain; new non-directional radio beacons at Scobey and Havre; new non-directional radio beacon transmitters at Wolf Point and Red Lodge; non-directional radio beacon improvements at Sidney and Malta; wind recording instruments installed at White Sulphur Springs, Chester, Red Lodge and Circle; traffic counters installed at Lincoln and Phillipsburg, distribution of updated Montana Airport Directories and technical assistance to individual Montana communities in the areas of aviation safety, engineering communications and navigation. We have taken over from the FAA the airport inspections program which will allow us to expand our local assistance; we are being reimbursed by the FAA for this program. In addition, this will allow accurate airport directory information which is updated annually. This program is a continuation from the last fiscal year and has been expanded from 49 to 112 airports. The FAA has relinquished to us the ownership and responsibility for four additional airway light beacons which are greatly benefiting aviation in Montana. They provide visual airway references through the mountains at night, thus furnishing an essential safety factor in night flying. Through the Safety and Education Bureau 2,780 pilots and 1,763 airplanes were registered; inspection and monitoring of 14 VA flight schools was maintained; four full scale searches for lost aircraft were conducted; 30,000 monthly newsletters were mailed to pilots and other interested persons in Montana and throughout the United States; four teacher workshops were conducted at various colleges around the state; Youth in Aviation competition in the high school aviation education program was conducted; one high school class and one adult evening class in pilot ground school were conducted involving 100 people in Helena.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: An increase in the funding level would provide more rapid improvement in Montana's Airport and Airways System and in developing new airport facilities and maintaining existing airports in a safe and modern condition. This would provide for greater efficiency and safety in movement of goods and persons by air. It is recommended that additional money be budgeted for the Aviation Education Program to expand Youth in Aviation (flying classroom concept and student scholarship), teacher workshop programs, and the Civil Air Patrol cadet program. Most high school students are not receiving aviation education at the present because of budget restrictions.

CENTRALIZED SERVICES PROGRAM Disbursements: FY 78 \$570,060¹
FY 79 \$174,256

PROGRAM DESCRIPTION: The Centralized Services Program provides budgeting, accounting, personnel, purchasing and general administrative services necessary for effective operation of the Department.

PROGRAM BENEFITS: The Centralized Services Program enabled the divisions of the Department to serve the public in a more efficient manner.

¹Includes Director's Office, Field Assistance, Rent, Communications.

DEPARTMENT OF COMMUNITY AFFAIRS

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Centralized Services Program should be allowed the power of an independent internal audit function.

COUNTY PRINTING BOARD PROGRAM Disbursements: FY 78 \$1,250
FY 79 \$ 0

PROGRAM DESCRIPTION: The County Printing Board is responsible for adopting and publishing a schedule of maximum prices to charge for county printing and legal advertsing.

PROGRAM BENEFITS: The county printing law requires that counties deal with an institution of some permanence in a locality which would be immediately accessible and accountable to county officials.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The County Printing Board could do a better job of reviewing the complex proposals presented to them if they had additional funds to meet more than once a year.

COAL BOARD PROGRAM Disbursements: FY 78 \$4,971,994
FY 79 \$3,364,403

PROGRAM DESCRIPTION: The purpose of the program is to assist "local governmental units which have been required to expand the provision of public services as a consequence of large-scale development of coal mines and coal using energy complexes" (90-6-201, MCA).

PROGRAM BENEFITS: The general public benefited from this program by direct financial grants to applicable local governments to increase public services and facilities as the result of coal development.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

COORDINATOR OF INDIAN AFFAIRS PROGRAM Disbursements: FY 78 \$73,403
FY 79 \$71,142

PROGRAM DESCRIPTION: The Office of the State Coordinator of Indian Affairs exists to carry out the legislative policy created by Section 2-15-1111, MCA. The Coordinator of Indian Affairs identifies problems confronting the Indians of Montana, advises the legislative and executive branches of the State of Montana of those problems and makes recommendations for the alleviation thereof. The Coordinator also serves the Montana delegation in the U.S. Congress as an advisor and intermediary in the field of Indian affairs and acts as spokesman for representative Indian organizations and groups, both public and private, whenever his support is solicited.

PROGRAM BENEFITS: The Office of the State Coordinator of Indian Affairs is the primary means through which government is kept informed of Indian concerns. Tribes and other Indian organizations are alerted to the state and federal efforts and resources that are available to help resolve their problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: An increased funding level is needed to enable the office personnel to meet the numerous requests for providing direct technical assistance to tribal and state government. Implementing this recommendation will enable the office staff to maintain its present level of involvement in coordinating tribal/state activities.

FIELD ASSISTANT PROGRAM Disbursements: FY 78 2
FY 79 \$114,246

PROGRAM DESCRIPTION: The Field Assistant Program exists to provide on-site technical assistance to local governments in all areas of the Department's responsibility.

PROGRAM BENEFITS: Specific benefit to the public is in saving local governments the cost of acquiring expertise either from consultants or additional in-house staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None

DIRECTOR'S OFFICE PROGRAM Disbursements: FY 78 \$ 2
FY 79 \$141,808

PROGRAM DESCRIPTION: This program exists to provide the Department with executive, administrative, and legal guidance. This program serves as liaison between the attached boards, the Department, and the Governor's Office.

PROGRAM BENEFITS: The public benefits from the effective and efficient coordination of executive policies which impact community development.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

HUMAN RESOURCES DIVISION PROGRAM Disbursements: FY 78 \$7,525,779
FY 79 \$8,623,852

PROGRAM DESCRIPTION: The Human Resources Division was established under both state and federal statutes to secure for the citizens of Montana the benefits offered by the U.S. Government for economic betterment and the relief of poverty. The Human Resources Division has two specific roles in accomplishing that function: (1) The division funds, monitors, and evaluates most of the activities of the state's ten human resource development councils. These agencies are the local organizations implementing the state's specific anti-poverty programs; (2) As the State Economic Opportunity Office, it advises the Governor on all anti-poverty programs and their relation to the State of Montana; it acts as an advocate of the poor within state government and it provides technical assistance to local anti-poverty groups.

²Included in the Centralized Services Program

PROGRAM BENEFITS: Contracted with the ten human resource development councils to deliver the following services:

- a. Winterized the homes of 3,890 low-income handicapped and/or elderly persons effecting a savings in heating payments of over \$245,000 per year.
- b. Provided over 12,000 low-income Montanans with jobs and/or employment services through the operation of CETA funds through the Governor's Employment and Training Council.
- c. Initiated two new youth programs: the Youth Employment and Training Program (YETP) for \$1,156,542 which employed 2,100 low-income youth; and the Youth Community Conservation and Improvement Program (YCCIP) for \$431,250 which employed 200 low-income youth in a variety of programs designed to upgrade the physical aspects of the communities in which they live.
- d. Maintained the Community Food and Nutrition Program which:
 1. Developed community gardens in two planning districts, proceeds to go to low-income people.
 2. Completed or began two greenhouses for low-income people.
 3. Assisted in starting four new nutritional programs for low-income women and children.
 4. Implemented three new summer feeding programs for low-income children.
 5. Assisted two local communities in establishing new school breakfast programs for low-income children.
 6. Developed nutritional services for low-income persons in three planning districts. The purpose is to assist low-income people in developing better nutritional habits and marketing skills to insure adequate diets.
- e. Established a comprehensive, statewide human resource plan to implement local solutions to problems of the poor.
- f. Provided the state's HRDC's with over \$1,500,000 to plan and administer anti-poverty programs on the local level.
- g. Fulfilled the legislative and regulatory requirements as the State Economic Opportunity Office through the following activities:
 1. Reviewed and recommended to the Governor for funding all federally funded anti-poverty programs throughout the state.
 2. Operated state-funded weatherization programs authorized under HB 701 enacted by the 1977 Legislature.

3. Secured a grant to fund the Senior Citizen's District Coordinator Program statewide. The program supported one person in each district to further the aim and membership of the Montana Senior Citizen's Association. By the end of the fiscal year, membership in the organization was up 25 percent.
4. Secured a \$700,000 grant from the Department of Labor to train migrant and seasonal farmworkers, primarily at the Family Training Center in Glasgow. Also secured a \$650,000 migrant and seasonal farmworker youth grant.
5. Established the Montana Migrant/Seasonal Farmworker Program Advisory Council to assist in the operation of that \$400,000 program.
6. Operated the Emergency Energy Assistance Program, providing \$1,987,065 to 8,100 low-income citizens needing emergency housing, medicine, clothing or similar assistance due to the severe winter.
7. Provided over 8,500 man-hours of on-site visitation to HRDC's in areas of program planning, operation and financial management.
8. Conducted 50 training sessions for HRDC staff and HRDC boards to assist in implementation of various community service programs.
9. Provided funding to include staff and support costs for members of the Governor's Poverty Council.
10. Provided funding and support for the Montana Senior Citizens Association to continue their advocacy efforts on behalf of the state's elderly.

HIGHWAY TRAFFIC SAFETY PROGRAM Disbursements: FY 78 \$ 817,910
 FY 79 \$1,119,968

PROGRAM DESCRIPTION: The objective of the Highway Traffic Safety Program, established in Chapter 46, Section 61-2-101 MCA, is to promote public safety, health, and welfare, and reduce traffic deaths, injuries, and property losses resulting from traffic accidents. The short-term objective of the program is to reduce the motor vehicle fatality rate (traffic fatalities per 100 million vehicle miles traveled) from the 1975 figure of 5.21 to 3.90 by December 31, 1980. The rate for calendar year 1977 was 4.91.

PROGRAM BENEFITS:

1. The reduction in the motor vehicle fatality rate was due, in part, to the many diverse projects funded through the program during the last fiscal year. These projects included the establishment of Selective Traffic Enforcement programs in the cities of Great Falls, Missoula, Billings, Butte-Silver Bow, and in Lewis and Clark County. Other projects provided radar speed measuring devices for local law enforcement in the communities of Circle, Hamilton, and Harlowton as well as the counties of Jefferson and Mineral.

2. In an effort to reduce the severity of traffic related injuries, Emergency Medical Radio Systems were established in West Yellowstone, Clyde Park, and the counties of Valley, Roosevelt, Richland and Fergus.
3. Mileposting projects, required to identify high accident locations, were funded in the counties of Cascade, Gallatin, Yellowstone, Lewis and Clark, and Butte-Silver Bow.
4. Hazardous bridges were inspected and structurally evaluated in the counties of Flathead, Judith Basin, Golden Valley, Phillips, Big Horn, Deer Lodge, Wheatland, Rosebud and Pondera.
5. In the area of accident prevention, the School Bus Drivers Training Program was continued and a complete updating of all alcohol testing equipment in the State Alcohol Testing Program and Highway Patrol speed radar detection devices was accomplished.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The traffic accident severity in Montana could be greatly reduced if more citizens would obey the national 55 miles per hour speed limit and wear safety restraint systems available in their automobiles.

LOCAL GOVERNMENT SERVICES PROGRAM Disbursements: FY 78 \$575,399
FY 79 \$647,359

PROGRAM DESCRIPTION: The Local Government Services program attests to the credibility of financial reports and management practices of all local government entities through post-audits of their respective governmental operations. These audits are designed to ensure constituent interests by determining that the financial condition and operations of the respective entities are reasonably conducted and reported. These audits further ensure that all appropriate state statutes and regulations are accomplished, and that the stewardship of Montana local government entities is conducted in such a manner as to preserve and protect the public trust. The program also involves liaison and consultant services to local government entities in the area of local government operations. (Title 2, Chapter 7, Part 5, MCA).

PROGRAM BENEFITS: During the fiscal year ended June 30, 1979, the constituencies of 534 Montana local government entities were informed through audit reports as to the operation of their respective entities, the uses to which their tax moneys were put, and the extent to which local officials had adhered to relevant state laws and regulations. As a result, local officials were able to make better management decisions. Liaison and consultant services enabled local officials to discharge their responsibilities uniformly and effectively and expedited local government dealings with state or federal agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Of the three elements of governmental auditing, this program addresses primarily the financial and compliance element. Due to increasing constituent demand for more accountability in public programs, it is recommended that future consideration be given to funding this program at a level which would better address the economy and efficiency and program results elements.

ACCOUNTING AND MANAGEMENT SYSTEMS PROGRAM Disbursements: FY 78 \$204,254
FY 79 \$217,834

PROGRAM DESCRIPTION: The Accounting and Management System Program exists to develop, implement and maintain uniform budgetary, accounting and reporting systems for Montana cities, towns, counties, school districts, and single purpose districts. In addition, the program provides special accounting assistance to local government officials and on-going training for local government finance personnel. (Section 2-7-504, MCA).

PROGRAM BENEFITS: During Fiscal Year 1979, the Budgetary, Accounting and Reporting System (BARS) for cities and counties was implemented in 14 cities and counties in Montana, bringing the total on the BARS system to 17. This system will provide a decision-making tool for local government managers and allow full financial disclosure to the general public in compliance with generally accepted accounting principles. Workshops on budgeting and accounting procedures during 1979 increased the accounting knowledge and skills of local finance personnel to the end that they were able to improve their management practices. The program's technical assistance enabled local officials to more efficiently administer their operations and to resolve fiscal problems on a timely basis. Improved accountability of local government provides the general public with the information needed to assess how tax dollars are utilized and to better evaluate the operating performance of the respective government units.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the level of program funding be maintained in order to implement and maintain the city, county, and town Budgetary, Accounting and Reporting Systems and to develop systems for school districts and single purpose districts.

PLANNING PROGRAM Disbursements: FY 78 \$1,221,290
FY 79 \$2,276,248

PROGRAM DESCRIPTION: This program exists to promote and assist community development through comprehensive planning and development activities with particular emphasis on housing, community facilities, public transit, land use and redevelopment. The program is implemented by providing technical, professional, and financial assistance to localities throughout the state; by advising the Governor on matters pertaining to community development and planning; and by promoting intergovernmental and interagency cooperation. This program implements provisions of Section 90-1-106, 90-1-102, 90-1-103 and 76-3-101 et seq. MCA.

PROGRAM BENEFITS: Specific benefits to the general public result from improving the quality of life in communities through planning and development activities which are socially, economically and environmentally sound. Direct benefits result from assisting localities and individuals in obtaining funds for the purposes of providing adequate housing, transit systems and public facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

SPECIAL PROJECTS PROGRAM Disbursements: FY 78 \$198,779
FY 79 \$694,005

PROGRAM DESCRIPTION: The Temporary Housing Program was implemented pursuant to the Department's responsibilities under the state's Disaster and Emergency Plan for Natural and Man-Caused Disasters (Montana Disaster Act of 1977, 10-3-301 et seq., MCA). The division administered the program for the presidentially declared flood disaster in seven counties around Billings beginning June 2, 1978, and anticipated to end September 28, 1979. The program followed the Department's responsibilities under Annexes C-5 and D-5 in the state plan.

PROGRAM BENEFITS: Specific benefits to the general public resulted in the assistance provided to 56 families who were provided variously with (1) direct reimbursements for transient lodging and private rentals; (2) federally donated mobile homes placed on leased commercial sites with an option of families' purchase of these; and (3) living kits where needed. Additionally, local businesses were used for towing of mobile homes to sites, set-up and weatherization, steps for entrances, and the first year's paid rent and use of home fuel tanks.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The state should select the options under the federally assisted temporary housing program that best benefit all affected families in a disaster. The active participation of state personnel should continue as mandated by the Governor.

RESEARCH AND INFORMATION SYSTEMS PROGRAM Disbursements: FY 78 \$283,922
FY 79 \$253,723

PROGRAM DESCRIPTION: The Research and Information Systems Program provides special information and analysis for numerous government agencies and the general public. Specific functions of the program are design and implementation of social, economic, demographic, and geodata storage and retrieval facilities serving federal, state, and local agencies in the state.

PROGRAM BENEFITS: Specific benefits result from having a central governmental source for most state and local statistics. Social and economic research is also conducted, such as population projections, automation and analysis of local governmental finances, computer mapping of natural resource data, and publication of many statistical documents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continued coordination between state and university agencies involved in the social, economic and natural resource fields is imperative if we are to produce data and services at a reasonable cost and avoid the costly duplication of similar efforts.

OLD WEST REGIONAL COMMISSION PROGRAM Disbursements: FY 78 \$64,414
FY 79 \$ 0

PROGRAM DESCRIPTION: The Old West Regional Commission was established in 1972 under the Federal Public Works and Economic Development Act of 1965 to

formulate and carry out regional economic development plans. The Commission is a federal-state partnership designed to solve regional economic problems and stimulate desired economic growth in the states of Montana, Nebraska, North Dakota, South Dakota and Wyoming. Responsibility for this program has been transferred to the Governor's Office of Commerce and Small Business Development. The expenditures consist of closeout costs including Investment Plans and Technical Assistance Plan contracts.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

AGENCY DESCRIPTION:

The Council, created in 1969 by executive letter and in compliance with federal legislation for vocational education (P.L. 94-482, Section 105), is responsible for advising the sole state agency on several specific matters dealing with vocational education in the state, evaluating state vocational education programs and assisting local advisory councils.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Council does not discriminate in its hiring practices. When vacancies exist, they are advertised and all applications are considered. The Council has membership representing such groups as: minorities, women in the world of work, disadvantaged and handicapped.

MONTANA ADVISORY COUNCIL FOR

VOCATIONAL EDUCATION	Disbursements:	FY 78 \$58,319
		FY 79 \$73,922

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS: The Council provides the sole state agency for vocational education with advice and assistance in the state administration of vocational education relative to needs, effectiveness, quality and quantity of vocational education in the State of Montana. This advice and assistance is provided through various activities and is an ongoing responsibility. The Council provides technical assistance to local advisory committees through the development of a handbook for use by local advisory committees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to develop close coordination of the Council, the sole state agency for vocational education, CETA, Special Education, Job Service, State Board of Education, Governor's Office, Department of Community Affairs and other related businesses and agencies.

Provide for additional manpower to the Council through increased staff or contracted services for professional and technical services to meet the new and emerging responsibilities of the Council.

MONTANA ARTS COUNCIL

AGENCY DESCRIPTION:

The Montana Arts Council exists to encourage the expansion of opportunities for all Montana citizens to create, participate in, and appreciate the arts, regardless of age, sex, race, income, place of residence, or physical condition. The Montana Arts Council was established by the statutes contained in 22-2-101, MCA. 2-15-1513, MCA, transfers the Council to the Department of Education for administrative purposes. The Montana Arts Council encourages throughout the state the study and presentation of the arts. It endeavors to stimulate public

interest and participation in arts activities and to cooperate with public and private institutions engaged within the state in artistic and cultural activities. Many of its objectives are reached through a program of grants in the areas of technical assistance in touring of art resources, special project assistance, and pilot project development. More than three-quarters of the administrative staff's operations deal with application for and distribution of federal funds on behalf of arts organizations throughout the state. The remainder is concerned with information and technical services rendered to individuals and organizations pursuant to cultural development.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana Arts Council has required all sub-grantees to provide written agreement to conform to Title VI of the Civil Rights Act of 1964 and has acquired the services of a qualified Native American to assess the arts needs of Native American communities. The Council maintains a listing of qualified minorities for future appointment to the Council and seeks to support non-profit organizations which have identified special cultural needs of minority groups.

All of our sub-grantees have been notified of the requirement to comply with Section 504 of the Rehabilitation Act of 1973 which provides that: "No otherwise qualified handicapped individual in the United States, as defined in Section 7(6), shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance."

PROMOTION OF THE ARTS PROGRAM Disbursements: FY 78 \$430,940
FY 79 \$476,260

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS: The Montana Arts Council has provided grant support and services to 535 specific arts projects through funds received from the State of Montana, the National Endowment for the Arts, and private foundations. The Artist-in-the-Schools Program has provided 328 weeks of artist residencies in 261 schools during the biennium. 83 poet-writers, visual artists and filmmakers have travelled 108,000 miles throughout Montana sharing their creative talents with workshops for 40,000 students plus 700 teachers. In addition, they have provided readings, talks, and demonstrations affecting another 20,000 plus 2,000 adults. The Montana Arts Council has conducted a cultural resources survey of all counties and has provided 28 planning visits to Montana communities and 6 special consultancies to reservations. The Council has produced and aired 10 one-half hour television documentaries on Montana artists. Each program has been repeated six times at various viewing hours on the MTN network, KYFR in North Dakota and KWSU in Washington. It is estimated that the council office has handled approximately 8,000 requests for information and service.

During the 43rd Montana Legislature the Montana Arts Council was directed by House Resolution 66 to commission a statue of a veteran Montana legislator Fred Whiteside to occupy a niche in the state capitol. No appropriation was forthcoming by the legislature but a private Helena

committee undertook a fund raising drive, the Council did all the work involved with notifying sculptors, established the jury, publicized the commission, accepted the mock-ups, and assisted in the final selection. The bas relief plaque is now in place in the capitol building and dedication ceremonies will be scheduled within the next year.

During the 43rd Legislative Session the Montana Arts Council was directed to direct the commissioning of a life size statue of Jeanette Rankin and was appropriated \$5,000; an additional \$35,000 was given by the family of Jeanette Rankin. To fulfill the intent of HR 57 and SR 67, a Montana sculptor has been commissioned and is currently under contract until May of 1981.

Other projects underway are the Montana Folklife Survey being conducted jointly by the American Folklife Center, Library of Congress, and the Montana Arts Council, with the objective being to inaugurate a state folklife program and hire a state folklorist to begin work in the fall of 1979 using the materials collected during the summer's survey as a base of information in the design of a state program following HB 675 of the Montana 46th Legislature.

The Council has initiated an artist search questionnaire and has identified some 700 artists in the areas of painting, graphics, sculpture, photography, crafts, poets-writers, theater, dance, music, architecture and design. The objective is to computerize this artist list for fast and efficient notification of local, regional and national competitions and to make mailing lists available to non-profit arts organizations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: As the General Fund commitment to the arts in Montana has not kept pace with other states or the demonstrated needs of its constituency, it is recommended that a stable source of funding be generated at the state level which has its source in a special tax, such as the coal tax. The National Endowment for the Arts has established a formula for the funding of state arts agencies based on the state's individual average income and the state appropriated General Fund dollars committed to the arts. Therefore, growth in Montana Arts Council services or grants will depend on an increased commitment of General Fund dollars from the state.

BOARD OF PUBLIC EDUCATION

AGENCY DESCRIPTION:

The Board of Public Education is a seven-member lay board appointed by the Governor. The Board is charged with the constitutional authority of exercising "general supervision over the public school system." The Board is also designated by statute as the "governing board of the Montana School for the Deaf and Blind and the Montana Fire Services Training School."

THE BOARD OF PUBLIC EDUCATION PROGRAM Disbursements: FY 78 \$60,593
FY 79 \$65,674

PROGRAM DESCRIPTION: The Board of Public Education was created by the 1972 Montana Constitution to exercise supervision and governance of public

education in accordance with constitutionally and statutorily defined authority and responsibility. At monthly meetings, the Board meets to establish policy on a wide range of issues.

PROGRAM BENEFITS: Issues and projects of particular significance in Fiscal Year 1979 include:

1. Representing the Board of Public Education before the 1979 Montana Legislature and actively working on legislation relating to governance of vocational education, Indian studies, gifted and talented education, child abuse laws, immunizations, and private schools. Of special note was the passage of a bill which removed the Board of Public Education entirely from the governance structure of vocational education. The Board had asked the legislature to either provide it with sole authority to govern vocational education or to get the Board out of vocational education governance.
2. Compilation and passage of a comprehensive 68-page rule dealing with an entirely new method of teacher certification for purposes of inter-state certification reciprocity.
3. The thorough review of competency testing and competency-based education and an assessment of the appropriateness of such measures in Montana. This project is still under active consideration of the Board pending the results of a National Institute of Education study which is to be completed in December, 1979.
4. The implementation of a thorough review of all state accreditation standards. This review will continue through Fiscal Year 1980.
5. The resolution of CETA audit problems through the implementation of new accounting procedures.
6. Dealing with a state audit on the Montana School for the Deaf and Blind and implementing 57 recommendations from the audit.
7. Ongoing Board compliance with the Montana Administrative Procedures Act: In October, 1977, the Board became subject to the APA and was faced with the task of transferring all of its previous rules and policies into the Administrative Rules of Montana. This project, coupled with the notice, hearing and formal preparation of all rules adopted since October, 1977, continues to be a time-consuming undertaking for the Board and probably accounted for about 20% of total staff time during Fiscal Year 1979.
8. A variety of other issues including hiring of a new director for the Montana Fire Services Training School, dealing with a legislative appropriation problem on the School for the Deaf and Blind cottage construction, working on long range planning through the joint State Board of Education, and continuing to meet in a variety of locations across the state in an attempt to be more accessible to the general public.

EDUCATION

FIRE SERVICES TRAINING SCHOOL PROGRAM Disbursements: FY 78 \$135,759
FY 79 \$147,469

PROGRAM DESCRIPTION: The Fire Services Training School Program exists to organize, supervise, and coordinate training and education for fire service personnel in the State of Montana according to local needs and the standards established by the State Board of Public Education.

PROGRAM BENEFITS: A specific benefit resulting from the operation of the Fire Services Training Schools is that firefighters responding to an incident are more knowledgeable of firefighting and life safety techniques, thereby providing a quality service to the general public. Also, through fire education the general public has a tenacious understanding of fire prevention, fire safety, burn prevention and burn first aid.

MONTANA HISTORICAL SOCIETY

AGENCY DESCRIPTION:

The Montana Historical Society exists for the use, learning, culture, and enjoyment of the citizens of the state and for the preservation of historical art, historic sites, artifacts, documents and records, and the custody, maintenance and operation of the historical library. The Montana Historical Society was established in 1865 under the jurisdiction of the Historical Society and independent of any other museum or library owned, maintained or operated by the State of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana Historical Society has appointed an E.E.O. officer and all antidiscriminatory policies are advertised and emphasized by this agency. All open positions are advertised with all practical sources, and all qualified applicants are considered for employment. All present employees are informed regarding their rights and privileges, and the E.E.O. officer is available to help them.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$ 99,068
FY 79 \$157,996

PROGRAM DESCRIPTION: The Director and staff administer seven programs, one subprogram, and 37 to 40 employees in response to guidelines established by the Board of Trustees. Activities include public relations, correspondence, personnel, payroll, board meetings, budgeting, financial reporting, fund raising, business management, accounting and historic sites. In Fiscal Year 1979, the Mural Preservation Program was added to the Administration Program. This program provides funds for the conservation treatment of the murals in the Capitol Building.

PROGRAM BENEFITS: Three new programs were created, including separation of library and archives, and the inclusion of the Historic Sites Program and addition of the Mural Preservation Project. In Fiscal Year 1979, the Historic Preservation Program was expanded and reorganized.

The Haynes collection was acquired, which is an extremely valuable collection of art, artifacts and photographs. Also two major Russell paintings were received on loan to the Society. They will be reproduced and marketed.

\$202,460 in donations was generated to make payments toward the acquisition of "When the Land Belonged to God," by C.M. Russell, and other acquisitions.

Over 7,800 personal public relations contracts were made relevant to Historical Society operations.

Twenty-nine new policies and procedures were implemented to promote efficient management. A policy manual was printed in Fiscal Year 1979. Most of the audit recommendations from the last audit have been implemented.

The Rendezvous of Western Art to promote contemporary art in Montana and the west was planned and presented. In Fiscal Year 1979, the Rendezvous was greatly expanded.

Security was expanded to protect collections, and the agency will attempt to assume the costs associated with this imperative service.

The general public benefits from all art conservation treatment in that such treatments result in the preservation of works of art for future generations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional security protection is continuing to be one of our major goals. We are in need of staff and equipment to adequately protect collections from theft and destruction.

Insurance protection must be brought up to an adequate level to protect collections and the people who donate them. A small portion of our collections is insured now and the value and volume of collections tend to increase at a rapid rate.

The Mural Preservation Program can be improved by legislative awareness of its operations and by funding the program to include all the murals in the Capitol Building. There are 36 murals in the Capitol Building. Four were treated in Fiscal Year 1979. Additional funding for Fiscal Year 1980 and 1981 will enable more treatments to be carried out, but by no means can 32 murals be treated in two years with the funds provided.

HISTORICAL LIBRARY PROGRAM Disbursements: FY 78 \$101,413
FY 79 \$115,350

PROGRAM DESCRIPTION: The library's purpose is to acquire, organize, preserve and make accessible to the public significant published materials illustrative of the history of Montana, the surrounding region, and the Trans-Mississippi West, and to assist researchers seeking information in these areas. The program is provided for in Section 22-3-101, MCA, and its independence from any other state-owned or operated library, museum, or gallery is guaranteed by Section 22-3-103, MCA.

PROGRAM BENEFITS: In Fiscal Year 1978, 16,990 items were catalogued and made available for study and research.

The library added several hundred titles, in various formats, to what already constituted the largest single collection of Montana materials available.

15,587 reference requests were responded to. These were in answer to letters, phone calls and walk-in visitors.

295,720 pages of Montana newspapers were microfilmed.

In general, the library staff has made exceptional efforts to provide the public with information and materials either not readily available elsewhere, or not available elsewhere at all.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The library is working steadily on improving public accessibility to its materials through better organization and cataloguing of its collections. It is also trying, as funds permit, to better fulfill its preservation function by microfilming all the Montana newspapers which it holds. Additional funding is needed to supplement this microfilming program to insure fragile materials are copied on film and that more materials can be made available on film, thus eliminating the need to handle originals.

MUSEUM AND GALLERIES PROGRAM Disbursements: FY 78 \$200,945
FY 79 \$360,688

PROGRAM DESCRIPTION: The purpose of Montana's Museum collection is to interpret the history of Montana through exhibits and educational programs and to present a variety of fine arts to the people of Montana. The museum collects fine arts and historical, archeological, and ethnological artifacts from Montana and the general geographical region.

PROGRAM BENEFITS: Stored artifacts are available for research upon request.

Tours and educational programs are provided for students and the general public.

The museum staff answers approximately 800 requests for specific information each year.

Art shows are presented in the Poindexter Gallery. These number about eleven each year, including the greatly expanded Rendezvous of Western Art.

In a constant effort to bring history to the visitors of the Society, new displays are designed and produced. Through these displays the museum attempts to provide a broad scope of visual education.

A special effort is made to conserve items that are in danger of decay. Professional conservators are contracted to provide guidance and technique for conservation of art works and artifacts. Much extra time was also dedicated to the preservation of the gun collection.

The process of transporting, cataloguing, displaying and preserving the tremendous Haynes collection of art, artifacts, and photographs was started and a special temporary display established. The Haynes collection is an extremely valuable private collection, both financially and historically.

A branch museum is operated at the Libby Dam site which reflects the history of the Libby area. This operation is supervised by the museum staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provisions should be made to renovate the formal museum, develop and expand the Hayne's exhibit area and create new museum storage through an expansion plan for the building. Adequate staff, equipment and funding is desperately needed to professionally care for the vast collections of the Montana Historical Society. Restoration, conservation and storage of articles as valuable as those in our collections must be a priority for this program.

PUBLICATIONS PROGRAM Disbursements: FY 78 \$137,552
FY 79 \$136,861

PROGRAM DESCRIPTION: The Publications Program of the Montana Historical Society, begun in 1951, exists to fulfill one of the primary roles of the Society which is "to promote the study of Montana history by lectures and publications." Publishing Montana the Magazine of Western History on a quarterly basis and the Montana Post, the official newsletter of the Society, also on a quarterly schedule, fulfills that function.

The Publications Program also has responsibility for composing, designing and editing Society publications, including news releases, promotional and educational brochures, educational pamphlets, printed programs, and other minor tasks which entail writing and editing.

PROGRAM BENEFITS: In the process of publishing the magazine, 450 manuscripts were reviewed each year.

In Fiscal Year 1978, 1,032 new subscribers were gained and a renewal rate of 76% was maintained.

A total of about 87,000 publications, including magazines, newsletters, promotions, and special publications were distributed each year promoting Montana and the Northwest throughout the world.

Montana the Magazine of Western History continued as the top quarterly historical journal of its type in the world.

A computer subscription was employed to improve the efficiency to the subscribers.

Publishing Montana the Magazine of Western History is of enormous benefit to the State of Montana. At a reasonable cost, the magazine serves as the chief educational tool for the dissemination of Montana history for use in the classrooms of the state. The magazine is read by nearly 5,000 Montanans and another 5,000 persons who live out of state. Each quarterly

issue of the magazine keeps these people in touch with their heritage and stimulates interest in preserving Montana's historical resources, visiting our historic areas, and supporting the many museums in the state.

Montana Post, the Society's official newsletter, keeps Society members informed of the latest developments in the study, preservation and display of Montana history. It is a most effective vehicle for informing Montanans on what is being done to preserve our history and how individual citizens can participate.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Our most pressing need is to solve a funding problem. For its entire history, the magazine has been funded through proceeds from the Society's merchandising program and subscription revenues. No magazine of our quality can possibly pay for itself through subscription revenue alone. The 1979 Legislature split the publications and merchandising programs and appropriated monies to cover our anticipated deficit in the publication program. This may work, but the genuine solution to the funding problem is to support the salaries (3 persons) with General Fund monies and allow subscription revenues to pay for production costs.

MERCHANDISE PROGRAM Disbursements: FY 78 \$248,088
FY 79 \$221,169

PROGRAM DESCRIPTION: The Merchandise Program exists to provide educational and artistic products which support the story the Museum depicts, and thereby offers visitors an opportunity to increase their knowledge of Montana's history and artistic achievements.

PROGRAM BENEFITS: 312,797 visitors were served and counter sales totalled \$404,364.

Total revenue generated by this program was \$562,212 of which \$51,087 was special project revenue including receipts from sale of the Hawken Rifle and the limited edition of "When the Land Belonged to God." Revenue from these special projects was allocated toward the purchase of the original "When the Land Belonged to God", by C.M. Russell.

A continuing effort was made to provide stricter inventory controls. This included trying to eliminate stale inventory.

Providing relevant sales articles that support Museum activities was a high priority.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The process of streamlining the operation of the revolving fund to provide revenue to meet the goals of the Society should be continued.

HISTORIC PRESERVATION OFFICE Disbursements: FY 78 \$ 50,296
FY 79 \$619,931

PROGRAM DESCRIPTION: The Historic Preservation Office administers the Historic Preservation Act in Montana, which is to nominate sites to the

National Register of Historic Places, administer federal grants-in-aid for historic preservation, and review all federal undertakings to determine effect on historic properties on or eligible for listing on the National Register of Historic Places. The office also certifies historic structures and rehabilitation projects for the Tax Reform Act of 1976. The office is authorized by the State Antiquities Act, as amended.

PROGRAM BENEFITS: In Fiscal Year 1978, fifty-six potential historical sites were examined by members of the program. Eighteen of these were put on the National Register.

In Fiscal Year 1978, nine distinct grant requests for preservation of historical buildings were processed, resulting in a distribution of \$105,000 to Montana for protection of historically significant sites.

Approximately 300 requests for information and clearance for projects in areas with possible impact on historic sites were processed each year. Once sites are registered, they are restricted and protected for the future.

The public benefits from surveys to identify and nominate historical sites and districts; from preservation projects that restore historic structures; from tax benefits in the Tax Reform Act of 1976 for rehabilitating historic properties; and by having sites protected through the review and compliance process.

Counties benefit from increased taxable value as a result of rehabilitation projects. Labor benefits from employment as a result of preservation projects (about 60% of the funds expended are for labor). The economy is benefited by the private investment encouraged to match preservation grants. Publications of historic sites is beneficial to the tourism industry. Most preservation projects include energy saving devices and access for the handicapped.

In the 1979 Biennium, the program administered \$1,093,000 of federal dollars which were matched by approximately \$6,000,000 in private and local government investment in historic preservation.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the state adopt a program of comprehensive statewide inventory to identify historic properties, and to appropriate funds to match with federal survey grants. The inventory will increase the number of sites listed on the Register, increase the number of property owners eligible to apply for grants and tax benefits, decrease the heavy workload and increase efficiency in review and compliance, thus expediting the expenditure of other federal funds in the state.

It is recommended that the staff be increased in order to provide technical assistance to more persons and projects, to review more tax act certifications, and to respond promptly to requests from the public, state and federal agencies. Increased staff will facilitate efficient financial and project record keeping.

ARCHIVES PROGRAM	Disbursements:	FY 78 \$85,708
		FY 79 \$98,324

PROGRAM DESCRIPTION: The Archives was created as a separate program of the Society on July 1, 1977. Its major functions are to acquire, describe, preserve, and assure public access to historically valuable private manuscripts, state records and photographs. Authority for its activities comes from 22-3-107 and 22-3-202, MCA.

PROGRAM BENEFITS: The Archives has operated independently of the Society Library since July, 1977, and in that time, activity has centered on the processing of backlogged materials.

In the biennium, archival staff processed 1,050 cubic feet of records and papers and 3,975 photographs, thus making them available for research.

In the same period, the Society's archives acquired an additional 1,120 cubic feet of research materials as well as 8,000 photographs.

The prestigious Haynes Photographic Collection was also acquired during the biennium, bringing an additional 23,500 photographs into the Society's collections. A grant was secured from the National Historic Publications and Records Commission to copy and preserve the Haynes photographs to assure their future use for research.

In addition to acquisition and processing work, the Archives staff was heavily involved in the planning and operation of the 1977 and 1978 annual history conferences which averaged 325 attendants.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: With travel being made increasingly difficult because of energy and financial considerations, other methods of acquiring and making available research materials must be pursued. One of the most obvious methods of doing this is to establish a statewide archival network, utilizing the Historical Society and the University System libraries, to centralize acquisitions efforts while operating the repositories on a regional and topical basis. Should the network approach prove too costly, the Society should be allowed to operate a centralized acquisition program for the state with cooperation with those university units now engaged in archival work. The Society's archives also needs the facilities, training and equipment to do more in the area of preservation and conservation of collections. The Society must add a full time photographic technician to the staff in the coming biennium. This is necessary to speed the copying of deteriorating photographs in our collection and to provide copy service to our ever-increasing patron demands. Lastly, storage space will become a most serious consideration in the next three to four years. At the present rate of acquisition of historic materials, additional storage capabilities must be secured in the next two bienniums.

MONTANA STATE LIBRARY

AGENCY DESCRIPTION:

The Statutory Authority for the Montana State Library Commission is contained in Title 22, Chapter 1, MCA. The State Library Commission is responsible for

maintaining the state library, providing assistance to public libraries, furnishing library informational services to state agencies, developing standards for public libraries, requiring certification of librarians and distributing state documents to depository libraries.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana State Library Affirmative Action Plan, approved by the Equal Employment Opportunity Bureau, Department of Administration, continued in effect. Work began on a Rehabilitation Addendum to the Affirmative Action Plan.

GENERAL LIBRARY SERVICES PROGRAM Disbursements: FY 78 \$402,543
FY 79 \$272,580

PROGRAM DESCRIPTION: The General Library Services Program provides assistance to public libraries and federations in order to coordinate library development throughout the state and provides library services for state agencies.

PROGRAM BENEFITS: The delivery of a superior level of library service was available through increased membership in federations.

The 1979 Legislature's allocation of one percent of the coal severance tax will provide interlibrary loan services through federations to the entire state, thereby increasing the number of Montanans using these services.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A larger percentage of Title I, LSCA, funds should be spent for library development in local areas to strengthen public libraries with inadequate service.

There is a great need for additional professional staff at Montana State Library to work with the Coordinator of Library Development - to visit federation headquarters libraries, to consult on use of LSCA funds in program development and to coordinate federation program.

Montana State Library should develop a collection of contemporary foreign language materials to circulate among federation headquarters libraries for use by the whole state.

LIBRARY NETWORKS PROGRAM Disbursements: FY 78 \$114,990
FY 79 \$138,363

PROGRAM DESCRIPTION: The program provides Montana residents with a network which allows access to bibliographic information and to materials in state and out of state through interlibrary loan and through sharing of resources.

PROGRAM BENEFITS: This program provides Montanans with faster, more comprehensive delivery of information and more efficient access to information services through the Montana Information Network and Exchange (MINE). MINE successfully provides for resource sharing among Montana libraries, thereby increasing the availability of information for all Montanans and enlarges opportunities to participate in regional networks.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Steps should be taken to improve the statewide information network and to strengthen Montana's interface with regional and national networks.

LSCA grant funds should be spent to allow Montana libraries to develop microfiche catalogs, to coordinate the development of automated circulation and acquisition systems and to permit participation by Montana State Library in the regional computerized bibliographic network called the Washington Library Network. Participation in the regional network will prepare for participation in national networks.

INSTITUTIONAL LIBRARY SERVICES PROGRAM Disbursements: FY 78 \$86,479
FY 79 \$89,748

PROGRAM DESCRIPTION: Montana State Library contracted with public libraries to provide library service to the following state institutions: Glendive Public Library for service to Eastmont Training Center - \$850; Miles City Public Library for service to Pine Hills School - \$1,300; Flathead County Library for service to the Montana Veterans Home and Swan River Youth Camp - \$2,550; Great Falls Public Library for service to the Montana School for the Deaf and Blind - \$1,600.

Montana State Library provides service directly to: Boulder River School and Hospital; Galen State Hospital; Mountain View School; Montana State Prison; Warm Springs State Hospital.

When an institution is located in a city where it is possible to ask the local public library to provide library service to the institution, Montana State Library contracts with the library for this service. The service may include bookmobile visits, deposit collections in the facilities or visits to the library. The library schedules programs for the residents which include book talks, story hours and films.

Montana State Library provides the following direct service:

Montana State Prison - a deposit collection for inmates; shelving and equipment for the library; interlibrary loan; paperback collections for maximum-security inmates; subscriptions for periodicals and newspapers.

Warm Springs State Hospital - pays librarian's salary; deposit collection for residents; interlibrary loan service; subscriptions to periodicals and newspapers; assistance with staff library; service to the closed wards.

Boulder River School and Hospital - deposit collections for the residents; educational materials; interlibrary loan; information and reference service to the staff.

Galen State Hospital - deposit collections; interlibrary loan; information and reference service to the staff; subscriptions to library materials.

Mountain View School - deposit collections; interlibrary loan; information and reference service for staff and inmates.

PROGRAM BENEFITS: Montana State Library underwrites partial costs of the provision of public library services to the institutions - both residents and employees. Their access to the services of Montana State Library expands their use of both recreational and research materials.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Montana State Library's Institutional Library Services Program needs to be reviewed with the Department of Institutions to assure quality library service to the residents.

More responsibility must be assigned to the Department of Institutions for providing professional librarians, better collections, better facilities and more services.

LIBRARY SERVICE FOR THE BLIND

AND PHYSICALLY HANDICAPPED Disbursements: FY 78 \$90,923
FY 79 \$94,312

PROGRAM DESCRIPTION: This program provides blind and physically handicapped readers access - directly or through local public libraries - to special information resources.

PROGRAM BENEFITS: This program serves approximately 1,502 blind and physically handicapped Montanans.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The addition to the Montana State Library staff of a coordinator of volunteer services for the Division for the Blind and Physically Handicapped would greatly improve the program. Among the services a coordinator of volunteer services could perform would be the immediate provision of professional materials in a media useful to blind and physically handicapped state agency employees.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$92,428
FY 79 \$78,917

PROGRAM DESCRIPTION: The Administration Program provides centralized administration and support for the other State Library Commission programs.

PROGRAM BENEFITS: Within policies developed by the Montana State Library Commission, the program develops plans for better library service for all Montanans.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The administration of public library programs needs strengthening with more consultative services.

MONTANA SCHOOL FOR THE DEAF AND THE BLIND

AGENCY DESCRIPTION:

MCA, 1978, Title 20, Chapter 8, Part 1: The Montana State School for the Deaf and the Blind is a residential and boarding school for children and adolescents who are deaf or blind, or whose hearing or sight is so defective that they cannot be successfully taught, and for such reason are unable to receive a sufficient or proper education in the public schools of the state. The object

and purpose of the School is to furnish and provide, by the use of specialized methods and systems, an ordinary public school education and to teach such trades and vocations as will enable children attending such school to become independent and self-sustaining citizens.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Persons hired on staff at this agency are selected in accordance with professional practices and standards within the specialized fields. This agency has, in all areas, hearing handicapped and visually impaired employees at varying levels of responsibility. We are an equal opportunity employer.

Student population is on a referral basis and students are accepted on need for education programming. This does not relate to race, color, creed or secondary handicapping conditions.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$101,013
FY 79 \$107,547

PROGRAM DESCRIPTION: This segment of our agency is designed to function as our business operation in terms of purchasing, accounting, personnel, and management of business affairs.

PROGRAM BENEFITS: Through agency initiated cost controls, energy conservation, personnel policies, plus Montana state policy guidelines, the Administration Program is an orderly operation oriented to maintaining and improving fiscal accountability with maximum efficiency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

GENERAL SERVICES PROGRAM Disbursements: FY 78 \$160,673
FY 79 \$180,299

PROGRAM DESCRIPTION: General Services is the repair and maintenance program for the 18½ acre campus.

PROGRAM BENEFITS: Buildings and grounds are being maintained adequately. We are in the process of initiating two roofing projects. The Division of Architecture and Engineering has provided excellent help with this project. Four men make up our repair and maintenance staff during the school year. College work study students are hired for summer maintenance of the campus.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Pave dormitory, north wing, and east parking lots.

Increase campus storage capabilities.

Insulate Weyer houses.

Remodel Weyer garage.

EDUCATION

EDUCATION PROGRAM Disbursements: FY 78 \$942,857
FY 79 \$969,842

PROGRAM DESCRIPTION: This program exists to provide an education for children with a hearing or sight loss which presents an undue handicap for them to achieve their educational goal in their regular hometown public or private school.

PROGRAM BENEFITS: The past school year has seen significant growth in educational programs, both in quality and quantity.

Educational services to the handicapped children of Montana are undergoing changes due to P.L. 94-142 and also due to the challenge of multiple-handicapping disabilities which are becoming increasingly evident.

With professional staff of 58.28 FTEs, we are unable to provide adequate services to 330 hearing and visually impaired children statewide.

Educational services at our residential and day school in Great Falls have been strengthened, modernized, and revitalized by additions of competent professional staff and financing. To complement and supplement these "in-house" services, we have developed a variety of services on a statewide basis with and through our regional consultants stationed in Billings, Bozeman, Missoula, and Great Falls. Also, a statewide program, P.I.P. (Parent-Infant Program), for hearing-handicapped babies was developed from serving 2 or 3 children to serving 41 babies in their homes.

Supplementary federal funds, under the Elementary and Secondary Education Act, Title I-89313, have been effective in providing tools, equipment and personnel for these services.

More services to more children in Great Falls and statewide sums up our educational program in terms of benefits to the state, students, and parents of handicapped children.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide new physical education building.

Replace roof on south vocational education wing.

Install roof over electric panel in education building.

Install elevator or lift for barrier-free building.

Repair academic building roof.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$325,178
FY 79 \$348,372

PROGRAM DESCRIPTION: This program exists to provide dormitory residential care for children in attendance at this school.

PROGRAM BENEFITS: The responsibilities of this program are:

- A. Control, guidance, and supervision of dormitory and housing needs for our children in residence.
- B. Food and diet service for all our children.
- C. Health care.
- D. Recreation and socialization.
- E. Supervision of clothing, laundry and linens.
- F. General living skills necessary and important for the handicapped children being served.
- G. Guidance in good habits and constructive use of leisure time.
- H. Providing spiritual services for residential students when desired by parents in the church of their choice.

Student services are under the immediate supervision of the Dean of Students. There are three live-in persons during the night. All of the people work 40 hour shifts or less to maintain work on a 24-hour basis, 7 days a week. The children in residence are well cared for by these 26.77 FTEs who are very conscientious and have great empathy for children. Caring for children on a 24-hour basis, day after day for nine months, is a gravely responsible task which is complicated by the fact that we have children from 2½ years of age through 19 years of age, both boys and girls. Having this wide age range all housed in one structure further complicates the situation. Blind and deaf children housed within one facility and attempting to find staff to work with both is difficult.

The diet of our children is adequate and nutritious. The school nurse is immediate supervisor for food services and has helped the kitchen staff prepare nutritious food for the children.

Efforts to improve the capacity and ability to accomplish all of the objectives for this program through hiring practices and in-service training have proven most satisfactory. The coordination between residential living and the educational program has been most successful.

This program has provided a necessary service to parents of handicapped children in Montana, who through child study teams' recommendations, request their child to be served in residence. This past year demonstrates an effort on the part of our staff to provide these children parenting service at a high level. Complaints were at a minimum for the year and no gross complaints were brought forth by the parents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Update infirmary beds, closets, and tables.

Request two additional cottages to house children.

AGENCY DESCRIPTION:

The ultimate mission of the Department of Fish, Wildlife and Parks is to preserve, protect, enhance, maintain and make available to present and future generations all forms of Montana's wildlife, their habitat and the natural and cultural resources of aesthetic, scenic, historic, scientific and archaeological significance. The Department's statewide responsibility in service to wildlife and habitat preservation reaches back over 75 years to the establishment in 1901 of a state game warden and early departmental structure, although Montana's first game law was passed in 1869. Since 1965, the Department has also been responsible for the administration of the State Parks System and for the administration of the Federal Land and Water Conservation Fund in Montana. The Nongame and Endangered Species Conservation Act charges the Department with the management of nongame wildlife for human enjoyment, for scientific purposes, and to ensure their perpetuation as members of ecosystems.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

An equal employment policy statement has been issued to all Department employees by the director.

All Department employees are notified in writing of all permanent position openings grade 8 and above.

All new employees are required to attend the orientation sessions provided by the Department of Administration.

For employment purposes we have established the procedure of listing all position announcements (in addition to Department personnel notification) with:

Employment Security Division
Placement Office, MSU and U of M
Women's Bureau, Labor and Industry
State Employment Office
Helena Indian Alliance
Native American Talent Bank

The Department also adheres to the state hiring policy disseminated by the Governor at his March 22, 1976, cabinet meeting.

The Department contracts with an Indian liaison officer to help coordinate Indian affairs (members of the Blackfeet Tribe). The Department works closely with reservations in efforts to develop cooperative agreements which include employment of tribal members as state fish and game wardens. Cooperative agreements currently exist with the Fort Peck Reservation and the Fort Belknap Reservation.

Note: Because of the Department's accounting techniques, only total disbursements are reflected. Department internal records distribute the cost to four functions -- Wildlife, Fish, Parks, and Administration. Total disbursements in support of the Department in the biennium were as follows:

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FY 78

FY 79

\$14,424,131

\$16,762,278

ADMINISTRATION PROGRAM Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: The Administration Program includes executive leadership functions of the Fish and Game Commission, the Director's Office and associated staff services. The Commission sets Department policies and priorities and regulates the harvest of fish, game and furbearers by setting regulations that establish the opening and closing of seasons and the bag limits. The Director's Office provides executive direction for the Department's overall program and implements policies established by the legislature, Governor and the Fish and Game Commission.

PROGRAM BENEFITS: Eventual benefits to the public are proper management and enjoyment of the state's fish, wildlife and outdoor recreational resources.

CENTRALIZED SERVICES DIVISION Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: Centralized Services is an administrative and service unit. It provides direct supervision over budgeting, accounting, cashiering, claims, purchasing, personnel, payroll and property. Also, all license consignments, direct license sales, and special drawings are supervised through this division. Many special services are also provided, including information distribution, educational activities, print shop, mechanical shop, warehousing, legal services, land acquisition, and regional supervision and support services.

PROGRAM BENEFITS: Through administration of the licensing program, this division efficiently licenses qualified sportsmen to harvest game animals throughout the state in accordance with accepted fish and wildlife management plans. Recreational land is acquired and maintained for future use by the public. Seven regional offices throughout the state facilitate local input through regional supervision of local department operations. This division also provides complete, efficient operations and administrative support for the entire Department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implement by 1980 an overhaul of the drawing programs.

Delete unnecessary mailings and postage costs.

Improve fleet control, operations and maintenance to attain better fuel usage and minimize consumption.

ECOLOGICAL SERVICES DIVISION Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: This division provides technical data on, and representation of, the habitat needs of fish and wildlife. The purpose of

this service is to ensure that the fish and wildlife resources can be protected, preserved and propagated. This is fulfillment of the responsibilities of the Fish and Game Commission and the Department of Fish, Wildlife and Parks as provided by law. To accomplish this, it is the further specific objective to collect data for instream water reservations for fish and wildlife as authorized in 85-2-316 and to protect existing water rights as mandated by Chapter 2, Title 85 MCA. Protection of stream banks as provided in 87-5-105 through 87-5-509 is an active program in the division. Accelerated resource development and exploration requires considerable participation in such areas as major facility siting projects as required in 75-20-216(3), MCA, and in mine land reclamation and development as provided in 82-4-227, MCA. These mandated activities, plus substantial coordination with the public and other governmental entities, are essential to protect traditional fish and wildlife values, as Montana faces unprecedented development of other natural resources.

PROGRAM BENEFITS: Benefits to the public include an accurate understanding of fish and wildlife values associated with various resource development options. From this understanding, both a vigorous defense of habitat and a realistic appraisal of inevitable losses can evolve. This reality is essential to achieve a balanced growth objective between resource exploitation and environmental preservation.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Defense of the fish and wildlife resource is dominated by defensive actions. Positive programs such as allocating water for fish and wildlife, developing renewable resource development grants for fish and wildlife and compensation efforts that enhance fish and wildlife habitat need to be emphasized. The principle that must be established is that fish and wildlife cannot continue to be treated as a resource that is simply traded away as other resources are developed and exploited. A general attitude change by developers is essential to accomplish this improvement.

FISHERIES DIVISON Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: The Fisheries Division manages Montana's fisheries resources to provide optimum sport fishing for Montana's resident and nonresident anglers and regulates commercial utilization of nongame fish and areas where commercial operations are compatible with sport fishing.

PROGRAM BENEFITS: The public benefits are over three million days of sport fishing annually in Montana. A major portion of these are maintained and provided by the Fisheries Division's activities in stream and lake habitat preservation, rearing and stocking of hatchery fish and preparation of annual fishing regulations. Regulations are designed to preserve the productivity of wild fish stocks and to allow for an equitable distribution of both wild and hatchery fish stocks among sport anglers. An additional benefit to Montana's economy is the utilization of several hundred thousand pounds of rough fish annually (mostly buffalo, goldeye, carp and sucker). This activity also has the potential for improving sport fishing.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The present level of operations cannot be maintained without a substantial increase in fishing license

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income. The last fee increase which provided additional funds for fisheries management operations, except for purchase of access areas, was in 1967. Fishing license income still funds the Fisheries Division; however, it does not support the additional activities such as law enforcement, ecological services, conservation education, fishing access site protection, accounting and department administration needed for the entire fish program.

LAW ENFORCEMENT DIVISION Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: The Law Enforcement Division is responsible for protecting fish and wildlife and their habitat, and for protecting recreation, historical and archaeological sites from willful or negligent destruction by achieving an acceptable level of compliance with regulations and laws relating to fish, wildlife, parks and recreation. The goal of the division is to protect fish and wildlife resources for posterity, promoting their wise and equitable use.

The division coordinates training in the areas of hunter safety, boat safety and snowmobile safety.

The division maintains field administration of all license agents and issues and administers the provisions of special purpose licenses.

The division is charged with responding to complaints of wildlife depredation and prescribing and carrying out means of alleviation.

PROGRAM BENEFITS: Benefits to the public are derived from protection and management of the state's wildlife and recreation resources to ensure that everyone has an opportunity to utilize these resources.

During the biennium, two new programs were implemented to improve landowner-sportsmen relations and to open more private land to public hunting.

The division provided training for 98 departmental personnel who were appointed ex officio state fish and game wardens. It has been the Department's experience that landowners are more likely to allow public hunting if they are given some assistance with control of the movements of hunters. With the added manpower, this Department's visibility was greatly increased, especially during the past year's hunting season. The Department feels that the program was successful and it will be continued.

The division established a toll-free telephone number in Helena for sportsmen to report violations of fish and game laws, as well as violations of laws protecting private property. The toll-free number is on a 24-hour basis. This program will also be continued with the toll-free number now being on every hunting and fishing license, as well as hunting and fishing regulation maps.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that sufficient funding be maintained to provide adequate management and protection of the wildlife and recreational resources of Montana; that sufficient General

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Fund money be made available to adequately fund programs involving state parks and recreational areas; and that sufficient funding be provided to fill existing vacancies within the Enforcement Division.

PARKS DIVISION Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: The Parks Division is responsible for:

1. Operation and maintenance of the "State Parks System" including state parks, recreation areas, monuments, recreational waterways, recreational roads and trails, fishing access sites;
2. The conservation of scenic, historic, archaeological, scientific and recreational resources of the state and providing for their use and enjoyment by Montana residents and their guests;
3. The administration of the Federal Land and Water Conservation Fund in Montana; and
4. Administration of snowmobile recreation in Montana by providing for maintenance and installation of snowmobile facilities.

PROGRAM BENEFITS: An estimated 17,669,795 recreation occasions were provided during an estimated 4,419,948 visits to Montana's State Parks System during the calendar years 1977 and 1978.

During the biennium, 45 sites within the system were improved under the long-range building program. In addition, six sites were under construction at the end of the period. Planning for construction took place on 77 sites. Of these, several were subsequently constructed; many were deferred for lack of subsequent appropriations or because they were low priority, and 13 are presently ready to be let to contract. Land holdings within the system increased by 7,698 acres with acquisition by purchases, leases, gifts and exchanges. As a result, additions were made to two existing state parks, three existing monuments, one existing recreation area and four existing fishing access sites. Acquisitions also resulted in one new state park, four new recreation areas, four new state monuments and twenty new fishing access sites.

During the biennium, the Department administered the disbursements of \$5,812,621 in Federal Land and Water Conservation Funds. Approximately 50% of these monies went to outdoor recreation projects sponsored by local political subdivisions and approximately 50% went for state-sponsored projects. As a result, 67 local and 40 state projects were written and approved.

The division administered Old West Regional Commission grants amounting to \$360,598. This money provided five local and three state projects which were similar to other recreation projects funded with the land and water conservation funds.

To remain eligible for the Federal Land and Water Conservation Fund program, it is necessary for the Parks Division to periodically update the

Statewide Comprehensive Outdoor Recreation Plan (SCORP). Montana's 1978 SCORP was submitted to the Department of the Interior's Heritage Conservation and Recreation Service in the spring of 1978 and was approved. In addition to continuing Montana's eligibility for federal funding, this document provides a Department-wide action plan. It also identifies immediate and future planning goals. It is proving to be the most useful and relevant SCORP which has been prepared. During Fiscal Year 1979, the production of this plan was followed up with production of an executive summary designed to abstract the major points of the 1978 SCORP. In addition, in December of 1978 a special issue of Montana Outdoors was published. This issue again presented the major points of the 1978 SCORP, as well as developing for a general audience the basic points in the history and administration of the State Parks System.

The newly authorized snowmobile recreation program got underway in the winter of 1978. Since that time, approximately \$214,254 of earmarked motor fuel taxes and snowmobile registration fees were used to provide development of snowmobile facilities, plowing of snowmobile trail head parking areas, and grooming of snowmobile trails. Sixteen percent of this money was spent for trail grooming with a total of 19 projects throughout the state being funded. These projects were selected, designed and monitored with the assistance of snowmobilers through local clubs, interested individuals and the State Snowmobile Association.

The Parks Division's emphasis on seeking methods of acquiring land at less than market costs has continued to prove beneficial to the Parks System. The legislatively mandated acquisition of Wild Horse Island State Park is being accomplished without the expenditure of state funds and with half the total appraised value of \$3,500,000 being donated by the owner. Other projects relying solely or in part upon donated values or money include the acquisition and development of Champion International Corporation properties at Placid and Salmon Lakes and the expansion and improvements to Giant Springs Heritage State Park. Other such opportunities are being pursued at the present time.

The division is also actively pursuing the management planning of recent major acquisitions to assure multiple recreation use of these properties, balancing the natural resource needs with the needs of people who will be using them.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Insufficient enforcement in Parks System sites of public use regulations, as well as state civil codes, continues to be the major management problem facing the field staff. Ways must be found to increase the frequency of enforcement patrols in most areas and to decrease law officials' response time to calls for enforcement help. While law enforcement efforts to improve the compliance with public use regulations in the Parks System sites have been intensified and have greatly benefited recreationists, these efforts have been at the expense of routine patrols in other areas of enforcement. Outstanding progress was made in the spring and summer of 1978 when special enforcement patrols were assigned to Canyon Ferry. Unfortunately, these patrols were not available in the summer of 1979. Additional enforcement emphasis in the Flathead region greatly contributed to a more pleasant park experience for visitors. However, user conflicts among recreationists and the use of Parks System

sites as work camps for migrant farm workers continue to be problems for which there have been no satisfactory long-term solutions. The presence of additional enforcement personnel appears to be the only practical solution. Additionally, local county attorneys are sometimes unwilling to prosecute violators of regulations and some justices of the peace are unwilling to punish offenders.

Funding for Parks System operations and maintenance activities appear to be adequate at the present time, but our constantly expanding systems, together with increased costs, continue to put additional pressure on traditional revenue sources. Therefore, the division continues to pursue alternatives to using the General Fund, and as a result, has increased overnight camping fees and entrance fees to Lewis and Clark Caverns State Park. At the end of the reporting period, the division was finalizing a proposal to increase cabin site fees for the 266 cabin sites at Canyon Ferry Reservoir.

The Office of the Budget and Program Planning has greatly streamlined the executive planning process, the Department's Centralized Service Division has improved the operations budget preparation process and the Department of Administration has given us a much improved Statewide Budget and Accounting report format. One area where additional coordination would be helpful is for the Long-Range Building Program to be more closely tied to the operations programs in the executive planning process so that the impact on the operations can be anticipated and accommodated. During the 1979 Legislative Session, there appeared to be an increased awareness of these needs. This is an encouraging sign and was much appreciated.

The State Parks System has grown tremendously in the last ten or twelve years. Large capital investments have grown old enough to be in danger of significant deterioration and loss unless a systematic heavy maintenance program within the operations budget or the long-range building program is instituted to protect these investments.

The impacts on visitation to the State Parks System of the energy shortages and of high energy costs are becoming significant. Use during the spring of 1979 was generally down, which is not surprising. However, use patterns are changing in sometimes unpredictable ways. Such changes will affect operations and revenues. These changes must be carefully monitored, as should their overall effect on the tourism economy of the state. During the spring of 1979, a five-state nonresident travel survey was begun by a private consultant under the auspices of the Old West Regional Commission. Evaluation of this study when it is completed should provide some insights, but will undoubtedly take additional follow-up. For example, thought should be given to identifying methods for better coordinating development and implementation of a state policy in regard to outdoor recreation. Additionally, the state should explore ways to promote tourism, not only by U.S. citizens but also by foreign visitors.

The division will continue to explore the private sector for opportunities to encourage interested groups to participate financially in Parks System projects or to undertake other kinds of self-help approaches such as contributions of equipment, labor and materials. This is especially true of projects which are solicited by groups which have the capability to contribute in some way, thus easing the financial burden to the state.

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The Parks Division should explore the potential for establishing foundations designed to benefit individual parks. The objective of these foundations should be to better utilize private resources in public park development and care, while responding to special needs or interests.

The state should review policies with respect to leasing of state trust lands for recreational purposes. There appears to be potential for providing significant recreational opportunities at low cost while still contributing to the educational trust at a level commensurate with revenues currently being generated by private sector leasing.

WILDLIFE DIVISION Disbursements: FY 78 See above.
FY 79 See above.

PROGRAM DESCRIPTION: The goal of the Wildlife Division is to protect, perpetuate, enhance and regulate the wise use of the wildlife resource for public benefit now and in the future. The Wildlife Division operations are all directed toward this goal.

Funding to operate and conduct the activities of, and to provide personnel for, the division is produced by hunting license sales and the Federal Aid and Wildlife Restoration Program.

The Wildlife Division is responsible for the Department's surveys, inventory and research of the state's wildlife resource and its habitat. This work provides biological basis for game and fur season recommendations to the Commission each year. Cooperation in programs affecting wildlife in the state is maintained with federal and state agencies, organizations, landowners and sportsmen. The Division also operates and maintains the Department's wildlife management areas in the state, which total 270,000 acres.

PROGRAM BENEFITS: During the biennium, a total of 4,550,000 hunting recreation days was generated by the wildlife resource. Wildlife in the state also was the basis for an estimated equal amount of nonhunting outdoor recreation.

No wildlife habitat was acquired during the period. A total of \$110,000 was paid to counties as payments in lieu of taxes for wildlife areas owned by the Department.

Work emphasis continued on hunting access problems in eastern Montana. Personnel were involved in public meetings, and work with private landowners and agencies with land management responsibilities. The nongame wildlife program was continued on a limited basis. Considerable time was spent by administrative personnel on work concerning Federal Aid in Wildlife Restoration projects involved in the PR Lawsuit. All Department Federal Aid in Fish and Wildlife Restoration projects had environmental assessments prepared for NEPA compliance.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Ground and aerial surveys provide the data necessary to manage Montana's game animal resource; these two activities comprise the majority of the Wildlife Division's budget. Unfortunately, these two activities have been hardest hit by the

accelerating inflation rate the past few years. At the same time, the demand for more and better quality data continues to increase. Unless increased levels of funds are available, the Wildlife Division will not be able to maintain the quantity or quality of data necessary to assure healthy game populations.

The nongame program also needs increased funding if we are to perform our mandate for the nongame resource. Ideally, this funding source would be non-hunter and broad based. The anti-hunting movement is a serious threat to Montanans; information is needed regarding non-hunting uses of all forms of wildlife.

AGENCY DESCRIPTION:

The Office of the Governor was created upon acceptance of Montana into the United States in 1889 and exists under authority contained in Article VI of the Montana Constitution. The office oversees and directs the activities of the executive branch agencies in a manner which will insure responsible and responsive government for the people of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Governor continued to emphasize the importance of hiring practice improvement in state government. The Citizens' Advocate Office, in cooperation with the Human Rights Division, fields telephone calls and gathers information about cases of discrimination.

EXECUTIVE OFFICE PROGRAM Disbursements: FY 78 \$609,183
FY 79 \$650,910

PROGRAM DESCRIPTION: The Executive Office Program is responsible for overseeing and directing the activities of the executive branch of Montana state government, insuring responsive government for Montana.

PROGRAM BENEFITS: The operation of the Executive Office Program for the biennium ending June 30, 1979, focused on continued efforts to improve the internal management of state government and to make it more responsive to the wishes of the citizens. The program supervised and coordinated the various executive branch agencies in the conduct of their duties and assisted in the resolution of policy and management matters. The Governor initiated the Balanced Growth Program, the purpose of which was to seek solutions to state growth problems so that Montanans may have adequate jobs and economic opportunities without disruption of the environment and quality of life.

The Governor represented the State of Montana before congressional committees, federal agencies, regional offices, and other states to protect the lifestyle, financial security, and environment of the state. During the 1979 Biennium, the Governor and the Executive Office established a lead role as spokesman for the western states in various functions representing those states' interests. In support of this effort, the Governor served as chairman of the Western Governors' Policy Office (WESTPO).

MANSION MAINTENANCE PROGRAM Disbursements: FY 78 \$ 67,848
FY 79 \$ 77,874

PROGRAM DESCRIPTION: The Mansion Maintenance Program funds the maintenance of the Governor's official residence.

OFFICE OF BUDGET AND PROGRAM PLANNING Disbursements: FY 78 \$674,952
FY 79 \$706,775

PROGRAM DESCRIPTION: The Office of Budget and Program Planning (OBPP) assists the Governor in the planning, preparation, and administration of the state budget, the development and evaluation of alternative program

plans for the provision of state government services, and the examination and improvement of methods of providing services to the citizens of the State of Montana. OBPP reviews the total organizational structure of the executive branch, makes recommendation on the transfer of functions between departments or the elimination of unnecessary functions, and formulates and monitors policies in areas of management concern. The office also provides centralized services support for all programs of the Governor's Office, prepares and monitors estimates of revenues, houses the State Clearinghouse provided for in Office of Management and Budget Circular A-95, establishes guidelines and priorities for data processing services, and approves the procurement of data processing equipment for Montana state government.

PROGRAM BENEFITS: Office of Budget and Program Planning activities resulted in the following benefits to the state during the 1979 Biennium:

1. Completed an evaluation of deinstitutionalization in Montana, and published a series of four studies on deinstitutionalization. The office developed an implementation schedule for state services to the developmentally disabled and emotionally disturbed.
2. Implemented the Executive Planning Process.
3. Completed a program review and report of the Public Employees' Retirement System.
4. Initiated a program to coordinate the delivery of services to handicapped children in response to HJR 72.
5. Simplified the budget preparation process and prepared the Governor's Executive Budget through use of the state's computer system.
6. Established a state travel policy pursuant to the provisions of House Bill 145 enacted by the 1977 Legislature, which states: "...funds appropriated under this act shall not be expended for the purpose of membership costs to private organizations."
7. Assumed responsibility for direction of the Statewide Budgeting and Accounting System Upgrade Project, which was completed in the biennium.
8. Combined CETA and Crime Control grants to state agencies into two separate accounting entities and eliminated the excess paperwork of the old system.
9. Chaired the Legal Services Review Committee established by Executive Order 15-78 which reviews and approves executive branch use of private legal counsel.
10. Managed the hiring freeze imposed by Executive Order 9-78.
11. Published the following: Executive Management Report; Priority Budgeting System Variance Report 1978; An Evaluation of the Priority

Budgeting System; Report to the Legislature: Coordination of Services to Handicapped Children in Montana; Montana Statewide Cost Allocation Plan; and Final Report on Balanced Growth Meetings.

12. Sponsored the following legislation approved by the 46th Legislature:

- HB 179 - Repealed the Program Planning and Budgeting System, reducing budget preparation time and paperwork for the agencies.
- HB 186 - Transferred authority to establish a quarterly allotment system from the Department of Administration to the Budget Director to properly place such authority within the Office of Budget and Program Planning.
- HB 187 - Changed the Governor's Annual Report to a biennial report, reducing both the cost of publication and the amount of time consumed in the preparation of the report.
- HB 260 - Eliminated duplication of authority between the Budget Director and the Personnel Division of the Department of Administration regarding classification of state employees.
- HB 642 - Prohibited former state employees from contracting or being employed by a contractor with the state for six months following the termination of his employment. This legislation was intended to reduce the possibility of a violation of the public trust occurring through a conflict of interest.
- SB 114 - Transferred responsibility for state data processing needs from the Department of Administration to the Budget Director to provide better management control and eliminate a potential for conflict of interest since the Department of Administration is the second largest user of data processing equipment in state government.
- SB 115 - Eliminated an elaborate reporting and records system for federal funds which duplicated the existing accounting system.

INDIAN JURISDICTION PROJECT Disbursements: FY 78 \$100,228
FY 79 \$118,079

PROGRAM DESCRIPTION: The Indian Jurisdiction Project exists to research jurisdictional differences between the state and tribal entities.

PROGRAM BENEFITS: The following benefits were derived from the Indian Jurisdiction Project: centralized research of jurisdictional questions; inventory of state-Indian litigation; assistance to other state agencies in Indian law questions; centralized Indian law library, treaty analysis, cataloging and indexation of treaties; pending congressional bill inventory and file regarding Indian-state matters; research and analysis on the Coal

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Severance Tax; Amicus Curiae briefs; income tax analysis; water jurisdiction analysis; analysis of state building codes; state-tribal Memoranda of Understanding; analysis of current bills pending before Congress; jurisdiction of Montana traffic laws; institutional commitment jurisdiction; Flathead River jurisdiction; child support enforcement cooperation and jurisdiction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that this program be continued with adequate funding. The adequacy of the funding will determine the quality of the staff and the quality of the research conducted.

OFFICE OF COMMERCE AND SMALL BUSINESS

DEVELOPMENT Disbursements: FY 78 \$ 714,806
FY 79 \$1,025,162

PROGRAM DESCRIPTION: The Governor's Office of Commerce and Small Business Development is authorized by the state legislature to:

1. Reorganize the state's economic planning and development activities into a single, separate office, with the capability of assisting the Governor in developing and implementing state economic policy planning.
2. Develop programs capable of assisting state business with technical assistance to maintain existing jobs and create new ones, particularly in the primary industries.
3. Accomplish economic development planning, particularly for areas impacted by rapid growth or severe deterioration.

PROGRAM BENEFITS: The Office of Commerce and Small Business Development coordinates all economic development activities for the state. This includes the review of EDA 304 business loan applications and the administration and issuance of community technical assistance grants. The loan program amount was \$267,000 per year in the 1979 Biennium, of which \$200,000 were EDA funds. Technical assistance and economic research grants are funded by the Old West Regional Commission. In addition, the office provides management assistance each year for 50 to 100 new or expanding Montana businesses. The office also answers several hundred inquiries concerning financial assistance searches, business and economic information requests and community development questions.

LIEUTENANT GOVERNOR'S OFFICE Disbursements: FY 78 \$748,406
FY 79 \$614,487

PROGRAM DESCRIPTION:

Lieutenant Governor: The responsibilities of the Lieutenant Governor are prescribed in Article VI, Section 4, of the Montana Constitution. "The Lieutenant Governor shall perform the duties provided by law and those delegated to him by the Governor."

Northern Powder River Basin EIS Team: The state team of the Northern Powder River Basin EIS Task Force works in conjunction with the U.S. Geological Survey in the analysis of impacts due to the development of the coal resources in the Powder River Basin of southeastern Montana. The program exists to fulfill statutory requirements under the Montana Environmental Policy Act of 1971, and to advise government decisionmakers of the benefits as well as the costs of surface coal mining. The program was transferred to the Department of State Lands effective September 1, 1978, although costs for the program were shown in the Office of the Lieutenant Governor. The draft regional EIS was released for public review and comment in July, 1979. The final regional EIS is expected to be completed in late 1979.

PROGRAM BENEFITS:

Lieutenant Governor's Office: The Governor has assigned the Office of the Lieutenant Governor responsibility for program coordination and policy development in the areas of natural resources and agriculture. The office also functions as the state's energy policy office and is responsible for the comprehensive planning and formation of the state's executive branch energy-related policy recommendations to the Governor, and for coordinating the various component energy program of the state.

Northern Powder River Basin EIS Team: Through the project's publications and environmental impact statements, interested citizens can find information on the many impacts of surface coal mining, including socio-economic impacts, surface and ground water implications, and the status of reclamation under present law in the Northern Powder River Basin area.

CITIZENS' ADVOCATE OFFICE Disbursements: FY 78 \$ 53,165
FY 79 \$ 56,820

PROGRAM DESCRIPTION: The Citizens' Advocate Office was established in order to enable Montana's citizens to have better access to their state government.

PROGRAM BENEFITS: During the 1979 Biennium, the general public in Montana had the opportunity to contact the Citizens' Advocate by toll-free telephone or by personal correspondence in order to obtain information, make suggestions, air complaints, and ask for assistance with any problems regarding state government. In addition, a new service was added whereby the office released a list of public meetings to be held during the week following.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The services offered by the Citizens' Advocate Office could be enhanced and enlarged with more publicity of the toll-free telephone number. This would enable the office to serve more people in the state with relatively little extra cost.

MENTAL DISABILITIES BOARD OF VISITORS Disbursements: FY 78 \$ 34,176
FY 79 \$ 35,256

PROGRAM DESCRIPTION: The Mental Disabilities Board of Visitors is an advocacy program responsible for reviewing the protection of patients'

rights, care and treatment within Montana's institutions for the developmentally disabled and mentally ill and the community mental health centers.

PROGRAM BENEFITS: The board assisted numerous patients and their families in obtaining information on available services and in resolving their grievances regarding their rights and treatment.

As a result of the on-going site evaluation of the reviewed facilities, the board has issued several reports which reflect the accomplishment and deficiencies of services provided to Montana's mentally disabled.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legal counsel, required of the board in the Mental Commitment and Treatment Act, would reinforce the protection of rights and treatment for the mentally disabled of the state.

AGENCY DESCRIPTION:

The basic function of the Department of Health and Environmental Sciences is to protect and promote the health of the people of Montana through the implementation of beneficial public health programs and the enforcement of public health laws and regulations. It is the responsibility of the Department to assess health care needs and problems; in cooperation with local and private sources, to develop and implement programs designed to meet health needs and alleviate problems; and to continually evaluate current public health programs.

The Department of Health and Environmental Sciences is provided for in Section 2-15-2101, MCA.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Efforts were made on a continuing basis to conform to the standards set forth in the Affirmative Action Plan. Meetings with division administrators and bureau chiefs were held and supervisors were reminded of the importance of continuing to insure that the objectives of the Affirmative Action Plan are attained. The subcommittee to the State Intradepartmental Coordinating Committee for Women was active during a portion of this period. Its activities included review of the Affirmative Action Plan. The agency participated in the State Management Intern Program to assist in the upward movement of qualified personnel.

HEALTH PLANNING AND RESOURCE

DEVELOPMENT PROGRAM	Disbursements FY 78 \$1,244,910
	FY 79 637,344

PROGRAM DESCRIPTION: The Department of Health and Environmental Sciences, Health Planning and Resource Development Bureau, was designated by Governor Thomas L. Judge as the State Health Planning and Development Agency (SHPDA) pursuant to Section 1521 of P.L. 93-641, through Section 50-I-201, MCA. The SHPDA's primary responsibilities and functions are to:

1. Conduct the health planning activities of the state;
2. Prepare, review and revise (at least annually) a preliminary State Health Plan to be approved by the Statewide Health Coordinating Council (SHCC) for use in developing the State Health Plan;
3. Assist and support the SHCC in its functions;
4. Administer the Montana Certificate of Need law;
5. Serve as the designated planning agency of the state for purposes of Section 1122 of the Social Security Act;
6. Review and make findings concerning all new institutional health services in the state;
7. Develop and administer the State Medical Facilities Plan;
8. Periodically review existing institutional health services for their appropriateness; and
9. Administer all federally assisted facilities construction activities.

PROGRAM BENEFITS: This program provides a broad-based planning structure directed at improving the health of Montanans through improvement in health program coordination, health policy formulation, and the health care delivery system. This is accomplished by coordination and support of the Statewide Health Coordinating Council (SHCC) and with other health-related agencies in the state.

During the biennium, the SHCC met for orientation, to approve the SHPDA grant applications, to approve the Preliminary State Health Plan, to review the Montana State Plan for Mental Health, the Montana State Plan for Alcohol and Drug Abuse Prevention, Treatment and Rehabilitation, and 314(d) grant monies.

Coordination with other health-related agencies is being achieved through the development and implementation of the State Health Plan. These agencies include the Montana Hospital Association, Montana Medical Association, Montana Nurses Association, Montana Home Health Agencies, Montana Foundation for Medical Care, Montana Nursing Home Association, health-related government agencies, and others.

The program coordinates its efforts with those of the Montana Health Systems Agency by providing financial aid to them for sub-area councils, by assisting in the development of the MHSA's Health Systems Plan, by coordinating the HSP with the PSHP, by coordinating the program review process, by attending MHSA meetings and workshops, and by providing data to the MHSA.

Several workshops were conducted by this program.

The Montana Health Data Management System, established through a contract with the Bureau of Records and Statistics, has completed automation of the annual facilities reports, analysis of physician personnel data, and an inventory of current health data sources. Health care costs are being tabulated for the state and for each individual health-related program. They also provide technical assistance to the SHPDA.

A new annual survey form has been developed for home health agencies and a patient origin study has been completed. Analysis is now being done on this study. A health data book has been published.

The Montana Certificate of Need Law was amended to better serve the needs of Montana and to comply with federal requirements. This was Senate Bill 100 which was passed and signed into law by Governor Thomas L. Judge on March 23, 1979.

State Health Plan approval, grant application approval, and passage of the Certificate of Need Law are necessary to receive full designation. These have been accomplished.

Under Certificate of Need and/or 1122 review, the bureau received letters of intent resulting in:

1. 2 projects denied, totaling \$1,510,000.
2. 80 applications approved, totaling \$29,310,943.

Forty-four project reviews were conducted. Thirty-six were approved, three were withdrawn, and five were not reviewable.

At the beginning of the biennium there were seven Hill-Burton projects under construction. These have all been completed. Final audits have been completed on all seven. In addition, licensure inspections, change of ownership inspections, consultation inspections, and plant consultations were made on 37 facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Obtain legislative approval to utilize all available federal funds to fully conduct functions under P.L. 93-641.

Implement goals and objectives of the first state Health Plan, emphasizing prevention of illness and self-responsibility for health.

Improve evaluation processes for health-related programs.

Develop and implement a feasibility study for alternatives to long-term care.

Develop timely grant proposals to implement programs for health needs of Montana's citizens and professionals.

Continue working with the Department of Institutions to include mental health and alcohol drug abuse in combined health programs for treatment of the whole person.

Disseminate the State Health Plan throughout the state so as to impact the health of Montanans and to gain legislators' support.

Conduct workshops for the SHCC and other health-related agencies to better inform them of roles and responsibilities.

Improve data system so as to include the epidemiology of chronic disease in Montana.

Utilize a task force to draft rules and guidelines to implement Certificate of Need legislation (law) and adopt these rules in compliance with the Montana Administrative Procedure Act.

MANAGEMENT SERVICES PROGRAM Disbursements FY 78 \$868,547
FY 79 \$910,594

PROGRAM DESCRIPTION: This program includes separate organizational units of: Director's Office, Central Services Division, Public Information Unit, Planning and Evaluation Unit, Management Services Bureau, and the Records and Statistics Bureau. The Management Services Program furnishes medical supervision, administrative, public, and fiscal support to operational public health programs. It is responsible for acquiring personnel, materials, space, and related services required to meet the public demands. The laws that prescribe for the execution of this program and related organizational units are: Sections 2-15-104, 112(1)(g), and 2101, MCA.

The Central Services Division is mainly responsible for the supervision of the personnel functions, fiscal management and vital records for the total Department.

The Public Information Unit serves as a central source of information about the Department's goals, activities, policies, programs and problems; is the official channel of communication between the agency and the news media; develops public information/education materials for any program upon request; and participates in workshops, seminars, and other educational efforts.

The Management Services Bureau is responsible for the maintenance of the accounting records, budget preparations, support services, purchasing function, reporting requirements, and maintenance services.

The Records and Statistics Bureau administers the vital statistics system of the state. This includes:

1. Dividing the state into registration districts and changing districts as necessary;
2. Preparing rules for adoption by the department and enforcing these rules for gathering, recording, using, and preserving vital statistics;
3. Giving instructions and prescribing forms for vital events. This includes births, deaths, fetal deaths, marriages, divorces, induced abortions, delayed births, and other related records.

The bureau provides service from the vital records filed with the Department. This includes the issuance of certified copies, verification of information to authorized governmental agencies, processing of birth records pursuant to adoption, processing birth records following marriage of the natural parents and the request for legitimation, making requested corrections on vital records based on documentary evidence, and preparation of delayed birth certificates for persons born in Montana but for whom no birth certificate exists.

The bureau is the primary statistical resource of the Department. This includes the compilation and analysis of data from vital records as well as reportable diseases; the Heart Diagnostic Center; the Women, Infant, and Children Supplemental Food Program; the Early and Periodic Screening, Diagnosis, and Treatment Program; and the Nutrition Surveillance Project; as well as data processing support for administrative programs in the Department.

The bureau houses the Montana Health Data Management System. This system is consistent with the policies and procedures established for the National Cooperative Health Statistics System, and with policies and procedures as they may be established for a general State of Montana data management system.

The Planning and Evaluation Unit was created in 1978 and provides a variety of coordinative services for the Department as a whole. It serves as a focal point for health education activities, provides staff a hearings

officer and hearings examiner, provides a film library, assists other parts of the Central Services Division with planning and evaluation, acts as the Department's A-95 coordinator, and represents the Department as necessary on committees and task forces.

PROGRAM BENEFITS: The following is a statistical list of some of the paper processing accomplishments for the biennium:

	<u>FY 1978</u>	<u>FY 1979</u>
Claims processed	8,790	10,752
Personnel actions processed	619	699
Films requested	5,000	5,289
Films and A-V aids scheduled	4,058	4,378
Other accounting records	3,674	5,723

In order to improve the cooperation between state and local health departments, a site visit evaluation team was established by the director. The seven local health departments that have full-time health officers were visited and a report was filed.

During the biennium, the Public Information Unit researched, wrote and distributed approximately 250 news releases to the media and to local health departments for their distribution to local media. About 97 percent of these news releases were used by the media. The PIU prepared public information/education materials including press kits, slide shows, pamphlets, posters, public service announcements and articles for newsletters. Staff coordinated or conducted six workshops or seminars and edited several special reports for staff, the Governor's Office, legislative committees, and other officials.

The Film Library provided free film and audio-visual services to health and education professionals throughout the state and, in doing so, maintained an ability to respond to requests which is considered quite adequate for a film library of our size. This operational ratio was above the nationally recognized average of 80 percent. Our fiscal year ratio was computed at 82 percent.

The Records and Statistics Bureau provided certified copies of birth, death, and fetal death certificates for use by individuals to provide age, percentage, and citizenship, or to provide the facts of death.

The Records and Statistics Bureau compiled and analyzed statistical data concerning vital events in Montana and provided data on Montana events to the National Center for Health Statistics for inclusion in national tabulations and analyses. The bureau provided statistical and data processing assistance to other units of the Department as requested.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The building of the addition to the Cogswell Building and the renovation of the current east wing will allow for a "one stop" agency, which will provide more efficient service to the public.

Two program/analyst personnel should be added to the Planning and Evaluation Unit to further the review of the existing and/or needed activi-

ties of this agency. There are presently too many contracts requiring the obligation of available resources for the data processing needs of this agency. Through the data processing coordinator of the Office of Budget and Program Planning, we anticipate better service at a lesser cost.

The word-processing requirements of this agency should be reviewed relative to need.

All of the indexes to vital records need to be captured in machine-readable form so that the computerized indexes can be produced. At the present time, the manually prepared birth indexes for the years 1917 through 1953 are deteriorating and need to be replaced.

A departmental policy and procedures manual will be updated to reduce paper flow and increase coordination.

An incentive program to strengthen morale will be reviewed by departmental administration for implementation.

DISEASE CONTROL PROGRAM Disbursements: FY 78 \$401,453
FY 79 \$424,142

PROGRAM DESCRIPTION: The Disease Control Program provides for epidemiologic investigations for the identification of hazards or other conditions associated with human disease or risk of disease, and provides for control measures and intervention activities directly and indirectly through individual or community action. The program's activities are separated into three categories: Communicable Disease Control; Chronic Disease Prevention; and Special Projects and Investigations.

The Communicable Disease Control Program is responsible for: surveillance of communicable diseases throughout Montana; prompt, accurate investigation of threats to the public health; implementation of appropriate control measures as necessary; provision of advice and information to health professionals and the public to further the understanding and prevention of communicable diseases; and provision of certain vaccines, medications and biologicals to local agencies and individuals for the prevention of certain diseases. Much of the program's activities are carried out with the cooperation and assistance of local agencies, voluntary organizations and volunteers, and other state and federal agencies (e.g., Maternal and Child Health, Microbiology Laboratory, Department of Livestock, Montana State University, and Indian Health Service).

The component parts of the Communicable Disease Program are General Disease Surveillance and Control, Immunization, Venereal Disease Control, and Tuberculosis Control.

The Chronic Disease Prevention Program seeks to protect and promote the health of adults and others affected with certain chronic debilitating conditions or diseases, through disease prevention, health promotion, and community resources.

The principal components of this program are Hypertension Control, Diabetes Control, Adult Nutrition, Cancer Control, and General Information and Referral.

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The Special Projects and Investigations Program includes activities usually generated by a request from another agency for epidemiologic assistance or consultation on a specific problem or suspected hazard, or for developing materials or measures to more effectively or more efficiently address a known problem.

PROGRAM BENEFITS:

A. Immunization

	Polio		Measles		Rubella		Diphtheria	
	FY78	FY79	FY78	FY79	FY78	FY79	FY78	FY79
1. No. cases	0	0	122	60	18	82	0	0
2. No. vaccine doses	15,797	21,749	9,100	12,147	7,072	8,515	17,310	24,751
3. Percent immunized - 2 yrs. old	88	89	92	88	90	87	94	94
4. Percent immunized 6 yrs. old	88	83	81	84	73	82	92	84
5. Passage of a school immunization law requiring all school children to be immunized against preventable childhood diseases and providing for exemptions.								
6. Adoption of Measles Quarantine Rule, which specifies procedures for control of measles outbreaks.								

B. Venereal Disease Control

FY78

FY79

1. Number of gonorrhea cases (civilian) reported and treated	2,224	2,000
2. Number of infectious syphilis cases reported and treated	11	8

C. General Surveillance and Control

1. Number of cases of hepatitis	363	222
2. Number of cases of encephalitis	5	2
3. Number of cases of salmonellosis	60	44
4. Number of cases of shigellosis	78	156

D. Tuberculosis Control

1. Number of new cases identified and treated	62	57
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E. Hypertension Control (FY78 and 79)

1.	Number of persons screened or monitored for hypertension	32,805
2.	Number of persons screened for high blood pressure and diabetes	19,167
3.	Number of participants in professional education	202
4.	Number of requests for information or educational materials	94
5.	Number of pieces of materials or information distributed	22,411

F. Diabetes Control (FY79)

1.	Number of requests for material or information	14
2.	Number of pieces of material or information distributed	1,968
3.	Number of persons screened for diabetes	315
4.	Developed standards and protocol for summer camps for diabetic youngsters	.
5.	Number of participants in patient education	39

G. Cancer Control (FY78 and 79)

1.	Number of requests for information or material	4
2.	Number of pieces of material or information distributed	108
3.	Preparation and organization of material necessary to develop a tumor register	
4.	Obtained special appropriation of state General Funds to establish a tumor (cancer) register	
5.	Number of participants in professional and public education workshops	101

H. Adult Nutrition (Contributions to)

1. Montana Nutrition Conference
2. HIEFSS Organization (Hospital, Institutional and Educational Food Service Supervisors)

3. SRS workshops in Glendive, Great Falls, and Helena
4. Governor's Conference on Aging
5. Number of requests for materials and/or assistance - 131

I. Special Projects and Investigations

1. Teaching of epidemiology to medical and undergraduate students, spring quarter, Montana State University
2. Developed plan for reducing smoking-related illnesses, and successfully applied to federal government for funds for FY80
3. Review of Poplar Power Plant plan for adverse health effects
4. Review of literature on health hazards of selenium in water
5. Investigation of possible health effects from microwave installations
6. Sero-survey of Montana veterinarians for occupational zoonotic diseases
7. Epidemiologic analysis of sero-surveys for mosquito-borne encephalitis
8. Investigation of an "outbreak" of Alopecia Areata
9. Developed outline of epidemiologic analysis of infant mortality data for Montana

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Biologicals and vaccines for both routine and emergency protection are being supplied to citizens at federal or state expense or for reimbursement. Our ability to absorb this cost in the future is limited, and increased appropriations of state funds may be necessary to assure continued availability, at no cost, for Montana citizens.

Adoption of standardized health records and standards for day care centers, to help reduce or prevent the occurrence of communicable diseases in these centers.

Develop and distribute a standard, parent-maintained immunization record for use throughout Montana to assist parents in keeping their children immunized and to assist schools in recording such immunizations.

Revise, update and rewrite all ARM rules pertaining to communicable disease control to promote consistent application, to encourage more complete reporting, to assure consistency with current medical standards of diagnosis, management and control, and to indicate diseases which are of higher priority.

Incorporate and integrate a health education/health promotion component into the Chronic Disease Prevention Program, in order to provide the appropriate emphasis on these activities as preventive activities, and to

provide the necessary direction for such activities as indicated by other medical and scientific activities, methods and knowledge.

Provide a more prominent forum and focal point for coordination and communication of prevention and preventive activities throughout the state, to reduce duplication of efforts and to improve sharing of resources, including ideas.

Improve overall program administration by developing more goal-directed planning, activities and evaluation, more clearly defining and delegating roles and responsibilities, and providing for more systematic reporting, in order to provide more services with the same staff and less money.

Develop a systematic, coordinated plan for providing medical and epidemiologic assessment of alleged or actual adverse health effects from environmental contaminants. Such a plan would fill a major gap in the environmental health programs, reduce wasting of resources (time and money), and reduce conflict.

LABORATORY SERVICES PROGRAM Disbursements: FY 78 In other programs
FY 79 \$514,230

PROGRAM DESCRIPTION: The Microbiology Laboratory and the Chemistry Laboratory are included in this program.

The Microbiology Laboratory Bureau has four functions:

1. To provide laboratory testing services in support of communicable disease control and environmental sciences programs.
2. To provide training and consultation for local laboratory personnel in support of the hospital and medical facilities and manpower program.
3. To approve laboratories for performance of microbiology and premarital/prenatal serology, as required by state law.
4. To certify laboratories engaged in microbiological analysis of drinking water, as required by the Safe Drinking Water Act.

Laboratory services are offered for tests which cannot be performed practically by local laboratories, for specimens referred to the State Laboratory for confirmation or consultation and for communicable disease investigation or surveillance by state or county public health officials. These include clinical bacteriology, virology, serology, mycobacteriology (TB), micology, parasitology, and food and water microbiology. Water laboratory certification is carried out by regular on-site inspections and performance review. Approval of laboratories for premarital and prenatal serology is accomplished through a direct proficiency testing program. Training and consultation for local clinical laboratory personnel are provided in the form of bench training at the State Laboratory, workshops in outlying communities and other continuing education activities. Technical assistance is also provided in support of the work of the Bureau of Licensing and Certification.

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The Chemistry Laboratory Bureau provides laboratory services and consultation to programs of the Environmental Sciences Division of the Department, serves as a state reference laboratory for difficult and unusual procedures, and analyzes private drinking water samples for potability.

PROGRAM BENEFITS: The public benefited directly from the availability of high quality medical and environmental testing services in the Microbiology Laboratory and in the labs it approves. The quality of health care and environmental monitoring was improved. Specimens originated from physicians, county health departments, other department programs, sanitarians, hospitals and the general public.

<u>Test Service Category</u>	<u>No. Specimens/Samples</u>	
	<u>FY 78</u>	<u>FY 79</u>
Clinical Bacteriology	14,488	16,092
Serology	29,196	29,561
Mycobacteriology (TB), Mycology, Parasitology	4,675	4,214
Virology	24,403	26,626
Environmental Microbiology	<u>11,978</u>	<u>10,816</u>
Total	<u>84,740</u>	<u>87,309</u>

<u>Certification and Training</u>	<u>FY 78</u>	<u>FY 79</u>
Premarital serology labs approved	72	73
Water microbiology labs certified	13	13
Training offered to local laboratories (person hours)	782	1,140

During the 1979 Biennium the Chemistry Laboratory Bureau performed 85,011 analyses on 15,181 environmental and food samples, broken down as follows:

Water Quality and Drinking Water	--	6,483 samples, 49,995 analyses
Air Quality	--	7,585 samples, 32,737 analyses
Food	--	700 samples, 1,602 analyses
Occupational Health	--	413 samples, 677 analyses

In conjunction with the Water Quality and Microbiology Laboratory Bureaus, annual training courses in wastewater chemistry and microbiology analyses were presented to wastewater plant operators and analysts in private laboratories. Reliability and legal defensibility of our data were improved. Analytical capability was increased in the areas of pesticides and organic vapors. All of the above aided the Department's Environmental Sciences Division as it carried out its mandated duties of preserving and protecting the environment and the public health.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: From the Microbiology Laboratory:

Re-establish the position of Administrator, Laboratory Division, with resulting increased operation and administrative efficiency for laboratory services.

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Centralize scientific support services, which would result in increased efficiency in receiving and numbering samples, preparation of reagents and materials, and quality control.

Work toward a consolidated scientific laboratory system for Montana, combining existing labs for long-term savings in funds resulting from eliminating duplication of facilities, equipment and administration.

From the Chemistry Laboratory:

Continue development of methods to enable the laboratory to analyze for a greater variety of organic vapors in the workplace and a wider range of additives and extenders in foods.

Complete new field sampling and laboratory procedures manuals.

Decrease sample turn-around time.

HEALTH CARE FACILITIES AND MANPOWER PROGRAM . . . Disbursements: FY 78 \$1,180,981
FY 79 \$ 924,764

PROGRAM DESCRIPTION: The Health Care Facilities and Manpower Program is responsible for monitoring the operation, maintenance, and design of various medical facilities and services -- hospitals, long-term care facilities, ambulances and ambulance services, home health agencies, medical laboratories, out-patient physical therapists and facilities, speech pathology services, renal dialysis units, and mental health and retardation treatment facilities.

The program has legal authority to issue licenses, grant Medicaid certification, and recommend Medicare certification to those facilities and services which meet the regulations. It has the legal responsibility to promulgate and revise licensing regulations, to investigate and act upon citizen complaints, and to revoke the license or certification of any facility or service which falls below minimum standards and jeopardizes the health or safety of the patients or clients.

The program has two components, the Emergency Medical Services Bureau, and the Licensing and Certification Bureau.

PROGRAM BENEFITS: The Emergency Medical Services Bureau inspected and licensed 108 ambulance services and applied for and received \$827,000 in federal EMS Act Funds for FY80 on behalf of local governments. Emphasis was placed upon the certification and training programs for emergency medical technicians. In 1978, 28 EMT certification examinations were administered in 16 locations, seven practical skill workshops were held in six locations for a total of 276 people, and one workshop was given for EMT course coordinators. In 1979, eight examinations have been administered in seven locations, three workshops have been given for examiners, one workshop for course coordinators and one for instructors.

A toll-free telephone number was established for poison information from the Rocky Mountain Poison Center in Denver. The number is for the use of all people and is widely publicized throughout the state.

The Critical Patient Abstract has been implemented in a large portion of the state and has been hailed as a national model of an emergency medical service evaluation and data collection system.

Bureau staff met with officials in a number of communities to give technical consultation in planning EMS systems, and in developing bid specifications for ambulances and communications systems.

The bureau sponsored a statewide meeting of emergency nurses to develop interest in a standardized curriculum for training emergency department nurses in Montana.

The bureau sponsored crash injury management training for the Montana Highway Patrol, education and training programs for the Montana Law Enforcement Academy, neonatal care workshops and poison control workshops during the biennium.

The Licensing and Certification Bureau conducted 187 license inspections in FY78 and 193 in FY79 in hospitals, nursing homes, home health agencies, infirmaries and mental health-mental retardation institutions. The bureau conducted certification inspections of facilities and services wishing to qualify as Medicare and Medicaid providers. Medicare inspections totaled 174 in FY78 and 177 in FY79; Medicaid inspections totaled 156 in FY78 and 159 in FY79. In FY78, 16 complaints were investigated compared with 11 in FY79. Followup visits made to verify correction of deficiencies totaled 410 in FY78 and 420 in FY79.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Emergency medical services in Montana can be improved by a renewed emphasis on basic life support systems, which would require strong governmental support of EMT instructor training programs. Methods must be devised to deliver more adequate emergency medical training to rural ambulance personnel and to maintain their proficiency through continuing education.

There is a critical need for funds to provide the increasing volume of technical assistance demanded by local governments from the bureau. Greater response from the bureau would improve communication with all levels of government and raise the level of awareness of local officials.

As soon as possible, standardized emergency care training should be established for physicians and nurses.

Better methods need to be devised to receive and act upon complaints about pre-hospital emergency medical care.

The First Responder Training Program for non-ambulance personnel needs to be planned, standardized and implemented throughout the state.

A concerted effort should be made to develop EMS financing independent of federal funds. The availability of federal funds is limited to certain areas of the state, and the inequity has resulted in fractionalization of the emergency medical services state network.

During FY80, the Licensing and Certification Bureau will review and revise existing licensing regulations and will draft regulations for newly-created categories of healthcare providers.

ENVIRONMENTAL HEALTH (Environmental Sciences)

PROGRAM Disbursements: FY 78 \$4,386,398
FY 79 \$4,574,382

PROGRAM DESCRIPTION: The Environmental Health Program is concerned with health maintenance, productivity and well-being related to conditions of the environment or stresses in the environment. Emphasis is directed, primarily, toward the study of the existing environment -- whether it is safe, and if hazards are found, to specify corrective measures.

The Environmental Health Program is implemented by six bureaus: Air Quality, Food and Consumer Safety, Occupational Health, Solid Waste Management, Subdivision, and Water Quality. A description of each bureau's functions, program benefits, and recommendations for improvement, where applicable, follows.

1. The purpose of the Air Quality Bureau is to achieve and maintain such levels of air quality as will protect human health and safety, and to the greatest degree practicable, prevent injury to plant and animal life and property, foster the comfort and convenience of the people, promote the economic and social development of this state and facilitate the enjoyment of the natural attractions of the state.

A special program within the Air Quality Bureau is the Montana Air Pollution Study (MAPS), funded by the 1977 Montana Legislature to determine if a correlation exists between air pollution exposure and human health, as well as to explain the reasons for the high death rates from respiratory diseases and cancer of the lung in several Montana counties, most of which are located in the mountainous valleys of western Montana. The study period was July 1, 1977, to June 30, 1979, although the 1979 Legislature passed an extension of the study through the end of June, 1981.

Within the areas of health effects, the following activities are taking place: pulmonary function testing of school children and persons with respiratory diseases, a mutagen screening for lung cancer in the Butte-Anaconda area, clinic and hospital admissions data studies, and an investigation of high respiratory disease death rates in Deer Lodge, Lake, and Silver Bow Counties. Corresponding air monitoring and meteorological data are being gathered, and an update of the Air Quality Bureau's emission inventory is being generated. This will provide not only a comprehensive data base on the concentration of pollution in the ambient air, but it will also predict the ambient concentrations resulting from the emission of a given amount of pollution in a given area. The primary study cities are Anaconda, Billings, Butte, and Missoula; the secondary study cities are Columbia Falls, East Helena, and the southeast coal development region.

Initial results indicate that Missoula children have significantly poorer lung function than do Great Falls children. The differences are small, but quite significant, because of the large numbers of children sampled. It is thought that they may relate to the relatively higher air pollution concentrations in Missoula than in Great Falls.

The mutagen screening portion of MAPS has determined that some children in Butte and Anaconda have significant concentrations of cancer-causing substances in the urine. Further testing shows that air pollutants from the same area also contain cancer-causing agents. Whether the children absorbed these substances from the air remains to be determined, and further study is deemed essential

Results in other portions of MAPS await analysis of data already collected.

Another special effort within the Air Quality Bureau is the Montana Ambient Air Quality Standards Study (MAAQS). In December, 1977, the Board of Health and Environmental Sciences directed the Department to begin developing enforceable ambient air standards for review and eventual adoption by the board. To this end, the Governor authorized a budget of \$147,000 over the two fiscal years 1978 and 1979. The Department then proceeded with the Montana Ambient Air Quality Standards Study (MAAQS) to propose ambient air quality standards based upon the best available scientific, technical, economic, environmental and social data. The draft environmental impact statement on the proposed ambient standards was completed in December, 1978. Comments on the draft have been received, and the final version of the EIS is expected at the end of August, 1979. It is expected that the board will decide on the proposed enforceable ambient standards in March, 1980.

PROGRAM BENEFITS: The Air Quality Bureau:

- a. Processed 83 construction permits to assure that polluting industries comply with air quality rules and standards;
- b. Performed 22,649 laboratory analyses on 4,789 samples to evaluate the effects of air pollution. The bureau analyzed 149,462 hourly field samples to investigate the air pollution levels throughout the state;
- c. Enforced compliance with air quality rules and standards through 133 field surveillance actions;
- d. Completed its revision of the State Implementation Plan (SIP) with regard to air quality maintenance areas and prevention of significant deterioration to protect future air quality;
- e. Investigated 120 complaints on air pollution sources;
- f. Coordinated with other governmental agencies to reduce emissions from slash burning and dust roads; and
- g. Prevented 290,000 tons per year of pollutants from entering the atmosphere.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Air Quality Bureau:

The bureau should hire additional personnel to aid in permit processing, surveillance and enforcement activities.

2. The Food and Consumer Safety Bureau protects public health through its administration of programs covering food purveyors, public housing, institutions, and vector control, plus activities in home and product safety and enforcement of the Food, Drug, and Cosmetic Act. Public health protection is also enhanced through the bureau's extensive activities in professional sanitarian training and consultation. The bureau also returns funds to local health agencies to assist them in employing additional registered sanitarians.

PROGRAM BENEFITS: The Food and Consumer Safety Bureau:

- a. Regulated environmental health in community homes for the developmentally disabled to ensure the health and safety of residents.
- b. Assured, through licensing and inspection, that a child placed in a licensed day care center would not be subjected to unreasonable health hazards.
- c. Provided 995 individual consultative/technical services to local preventive health/vector control agencies in 50 counties.
- d. Developed a formalized policy/permit system for trapping mosquitofish; initiated biological control in 17 local programs and established 8 locally available overwintering sites for mosquitofish, and created one additional district.
- e. Initiated a formal state vector control disaster response plan, completed four formal training sessions and three bulletins; conducted surveys/disaster investigations (mosquito related) in sixteen counties and rat surveys in seven counties, and conducted encephalitis, plague, insecticide resistance and pesticide applicator cholinesterase blood monitoring.
- f. In response to public demand, developed a consumer product safety information/education program to present safety/accident prevention sessions to the consuming public, as well as to work with the Public Information Unit to prepare and issue news releases, public service announcements, etc., on matters seriously affecting public health.
- g. Provided for sample collection and inspection of hazardous substances from manufacturers, wholesalers, distributors, and retailers in Montana. If violations are encountered, corrective measures are undertaken to reduce the risk associated with the particular product.
- h. Provided for the inspection of all cellulose insulation with the state with respect to the products' flame retardant and corrosive qualities. As a result of this effort, insulation products with known defects will be removed from the marketplace.
- i. Protected the public through surveillance of food, drug, and cosmetic storage, manufacturing and packaging in the following instances:

- (1) Investigated and abated 138 customer complaints on foods, drugs, and cosmetics and prevented recurring problems.
 - (2) Investigated and obtained corrections in 15 separate food poisoning cases.
 - (3) Foods, drugs, and cosmetics adulterated in 11 truck accidents, 2 floods, and 1 fire were prevented from reaching customers;
 - (4) Inspected 335 food storage and manufacturing facilities to assist in eliminating contamination of food.
- j. Provided training and consultation for each new sanitarian, both with the Department and in the field. Telephone consultation is available on a day-to-day basis.
- k. Inspected 74 jail facilities during Fiscal Year 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Food and Consumer Safety Bureau:

- a. Eliminate many of the steps in the review process to expedite the process. The multiple-agency involvement in licensing and regulating residential facilities for the developmentally disabled is sometimes cumbersome and time consuming.
- b. Upgrade the day care center regulations. The regulations have been substantially changed since the program's inception over ten years ago. Bringing the regulations in line with current problems and practices will improve service to the public.
- c. Increase the amount available for disbursement to local health agencies either by earmarking all license fees received for the refund program or ensuring that an equivalent amount is appropriated specifically to the program.
- d. Secure funding for and develop an audio-visual training series to strengthen educational programs and improve local control, monitoring, disaster response and public relations activities being provided by increased numbers of inexperienced local personnel.
- e. Integrate biological control options into additional local programs, continuing and expanding use in programs where previously initiated, and giving high priority to establishment/improvement of locally available overwintering facilities for mosquitofish.
- f. Develop new and revised vector control bulletins to include consideration of vectors now receiving little attention, and to provide better guidance in areas where multiple inquiries are received.

- g. Provide additional educational and promotional information on nutritional labeling, reporting consumer complaints, sanitation in food storage and manufacturing, and care of potentially hazardous foods.
 - h. A training officer position should be established to further the professional growth of sanitarians and to insure necessary and appropriate continuing education and training is provided.
 - i. Promulgate specific regulations which more clearly differentiate between hotels, rooming houses, retirement homes, and transitional living facilities, thus more clearly defining the boundaries within each which type of facility may operate.
 - j. Involve public health nurses in inspections of day care centers. Currently, sanitarians are responsible for inspections of day care centers to determine compliance with the environmental health portion of the regulations; however, in most counties, nurses do not inspect to ensure compliance with the communicable disease and nutrition sections.
3. Within the Occupation Health Bureau are two major programs, the Occupational Health Program and the Radiological Health Program. The purpose of the Occupational Health Program is to achieve and maintain such conditions at the workplace as will protect human health and safety, and to the greatest degree practicable, foster the comfort and convenience of workers at any workplace and enhance their productivity and well-being.

The purpose of the Radiological Health Program is to research, regulate and control sources of ionizing radiation so as to eliminate unnecessary exposures to radiation which may result in somatic or genetic injury to the people of Montana.

PROGRAM BENEFITS: The Occupational Health Bureau:

Occupational Health Program: Occupational health inspections were performed in over 700 workplaces. corrective action was initiated in each workplace having conditions hazardous to the health of workers.

Radiological Health Program: X-ray compliance inspections and quality assurance programs have insured the safety of X-ray equipment, have lowered both patient and operator radiation exposures, and have improved the diagnostic quality of radiographs.

Through the Butte Radiation Study, the use of radioactive phosphate slag has been studied, health effects have been evaluated and further use of the material has been controlled by licensing.

High concentrations of radon and radon daughters have been identified in a large number of homes and also in the ambient air in Butte. Studies are continuing to assess the degree of human exposure and the magnitude of the area involved. Studies have been initiated to determine possible remedial actions that may be employed to reduce human exposure to high concentrations of radon and radon daughters.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Occupational Health Bureau:

- a. A continuing program for environmental radiation study and surveillance should be developed. This will necessitate one additional FTE.
 - b. A program for licensing naturally-occurring and electronically-produced radionuclides should be initiated. Licensing of these materials was mandated by the 1967 Radiation Control Act; however, funding to provide for such a licensing program has never been made available.
 - c. Agreement status should be negotiated with the U.S. Nuclear Regulatory Commission for assumption of licensing and regulatory authority for by-product materials.
 - d. A program of plan evaluation for new workplaces to assure incorporation of adequate industrial hygiene engineering should be developed.
 - e. A new staff position should be added to further develop and coordinate the Department's emergency response team activities.
4. The Solid Waste Management Bureau administers three programs. The Solid Waste Management Program controls solid waste management systems throughout the state through planning and licensing activities to protect public health and safety and to conserve natural resources whenever possible. The Hazardous Waste Management Program provides for the proper and regulated disposal of hazardous wastes. The improper disposal of such wastes poses an imminent danger to public health and can cause lasting damage to the environment. A third program, the Junk Vehicle Program, is structured so that the recycling of abandoned vehicles occurs statewide, producing significant benefits in terms of energy conservation, resources conservation and environmental quality.

PROGRAM BENEFITS: Solid Waste Management Bureau:

- a. Provided on-going technical and financial assistance to local government entities for the development of waste management systems. During the 1979 Biennium, the bureau provided \$234,739 in state grant funds to local governments for the purpose of conducting detailed solid waste management planning. The grants involved 112 municipalities, 19 county governments, Yellowstone National Park, and an Indian reservation, and will directly affect at least 257,000 Montana citizens.
- b. Issued 116 licenses to waste management systems statewide. Of these licenses, 75 are permanent and 41 are conditional.
- c. Initiated the necessary procedures to provide for the identification of hazardous waste generators, transporters, and disposers. This procedure included the conducting of a statewide survey of potential hazardous waste generators, transporters, and

disposers. This procedure included the conducting of a statewide survey of potential hazardous waste generators.

- d. Established the necessary framework for the inspection and licensing of hazardous waste generators, transporters, and disposers.
 - e. Finished a statewide Pesticide Disposal Demonstration Project. Through the project, 207,000 pounds of waste pesticides that had been collected from throughout the state were shipped to a commercial hazardous waste facility in Idaho for disposal. In addition, the project collected, rinsed, and recycled pesticide containers from throughout Montana. An estimated 20 tons of ferrous metal has been reclaimed as a result of this project.
 - f. Funded over a million dollars in grants to counties to fund local junk vehicle programs. Through the two fiscal years, the statewide junk vehicle program collected and recycled nearly 13,000 junk vehicles representing 16,000 tons of ferrous metal. In the four years of its existence, the program has collected and recycled nearly 55,900 tons of scrap metal. Aside from the revenue gained by the sale of metal, the statewide program has proved to be a significant energy conservation project. It is estimated that the program has conserved the energy equivalent of 7.8 million gallons of fuel. In addition to the program's energy conservation aspects, the use of scrap metal from junk vehicles provides a significant reduction in air and water pollution. It is estimated that the reduction amounts to 76 percent less water pollution and 86 percent less air pollution when scrap metal is used in the production of new steel products.
5. The Subdivision Bureau reviews the sanitary and environmental aspects of proposed subdivisions. More specifically, the functions are to review the adequacy, safety and dependability of the drinking water system, sewage treatment and disposal system, and storm water control system and to prepare Environmental Impact Statements when necessary.

PROGRAM BENEFITS: The Subdivision Bureau:

The program provides protection to state surface and groundwater and provides consumer protection. When a prospective buyer purchases a lot in a subdivision, he has Department assurance that he can develop a safe drinking water source, he has a way of depositing his sewage and garbage in an approved manner, and to the greatest extent possible, that the development is in harmony with the natural environment. During the 1979 Biennium the bureau reviewed and approved over 29,000 building sites.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Subdivision Bureau:

The program does not have a good public image. We need a good public relations person to visit with the citizens to explain the program and answer their questions. We also need more field people to inspect the installation of water and sewage systems to make certain that the construction is done correctly.

6. Among the programs administered by the Water Quality Bureau are the Water Pollution Control Program, the State Surface Impoundment Assessment and the Water Supply (Safe Drinking Water) Program.

The purpose of the three major elements (wastewater discharge permits, municipal construction grants, and water quality planning activities) of the Water Pollution Control Program is to protect and enhance the quality of Montana's streams and lakes.

Insuring that all public water supplies meet the state's Safe Drinking Water Standards and are free of contaminants that may be injurious to public health is the purpose of the Safe Drinking Water Program.

The State Surface Impoundment Assessment provided an inventory of waste holding ponds, pits, and lagoons in the state.

PROGRAM BENEFITS: Water Quality Bureau:

- a. A total of 335 active wastewater discharge permits control water pollution from municipal, agriculture and industrial discharges. A backlog of approximately 60 expired permits was eliminated. The major benefit of the permits has been a continued maintenance and improvement in surface water quality for existing and future beneficial water uses.
- b. The municipal construction grants program has obligated a total of \$4,358,714 in FY 78 and 10,509,844 in FY 79 to municipalities for the improvement or construction of sewage collection and treatment systems. The construction grant funds are made available by the federal government and are allocated to Montana cities on a priority basis by the Water Quality Bureau. The specific benefits to the general public have been improved waste treatment and water quality, as well as financial assistance for the construction of costly treatment systems.
- c. A statewide water quality management plan has been completed for final review by the Statewide 208 Advisory System before it is submitted to the Governor for certification. This plan outlines specific recommendations for the management of both point and non-point sources of water pollution. Its implementation following gubernatorial certification will result in certain water quality improvements which will also benefit all water uses.
- d. Through the advice, consultation and regulation in the review of construction plans and specifications on new water systems and alterations to existing systems, the public is assured such construction will meet minimum standards.
- e. Water supply problems and potential public health problems are discovered through complaint investigations and routine annual operation and maintenance inspections, thus assuring safe water supplies for the public. Monitoring programs required under the Safe Drinking Water Program, as water supplies become inventoried, provides an indication of potential public health problems in need of correction.

- f. As a result of completion of the Surface Impoundment Assessment, the suitability of present monitoring systems will be evaluated. Since the public's drinking water may now or in the future be affected by pollution from a waste-containing impoundment, they will benefit because the information collected in the study may be used to identify and correct existing state institutional problems, in developing or refining legislative programs, and in providing data base for future decisions in groundwater resource management and land-use planning.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Water Quality Bureau (WQB):

- a. The Governor certify the Statewide 208 Water Quality Management Plan and that the agencies identified in the plan actively implement the plan recommendations.
- b. The WQB continue to develop adequate groundwater regulations and review the need for their adoption by the Board of Health and Environmental Sciences.
- c. Record keeping procedures be improved and established to be sure that all public supplies are undergoing required monitoring.
- d. Changes be made to assure consistency in plan and specification review by all reviewing personnel.
- e. Provisions be made to insure that new construction is completed according to approved plans and specifications and to assure that the water system actually performs up to minimum standards.
- f. The state Surface Impoundment Assessment Program is funded as a one-time study. The inventory and assessment should be kept up to date.

WATER AND WASTEWATER OPERATORS PROGRAM Disbursements: FY 78 \$ 12,119
FY 79 \$ 12,590

PROGRAM DESCRIPTION: The Water and Wastewater Operators Program is responsible for administering the licensing requirements for water and wastewater operators in Montana. Operators of public water supply systems and operators of wastewater treatment facilities receive training and certification through this program.

PROGRAM BENEFITS: Training was made available to about 300 water and wastewater operators in an annual week-long school, seminars and 10-week (one evening per week) training courses. One specialized training course was made available to operators, consultants and state employees directly involved in the operation or design of oxidation ditch treatment systems. There are now about 1,010 licensed operators in the state.

LEGAL SERVICES PROGRAMDisbursements: Cost included in other programs.

PROGRAM DESCRIPTION: The primary responsibility of the Legal Division is to represent the Department in administering over 40 state statutes and over 900 pages of administrative rules. The division also enforces several federal statutes and their implementing regulations such as the Federal Clean Air Act, the Resource and Recovery Act, and the Clean Water Act.

The goal of the division has been two-fold: to resolve the day-to-day crises and to prospectively prevent the continuation of resolvable problems. Prospective resolution comes through statutory changes and corrective rulemaking. Resolution of the day-to-day crises involves enforcement actions.

PROGRAM BENEFITS:

1. Prepared 12 bills for the 1979 Legislature, including amendments to the Clean Air Act of Montana, the statewide immunization/exemption bill, and a rabies prevention bill. The division represented the Department in many hearings involving some of these bills and spent numerous hours drafting amendments to other proposed legislation which affected the Department, such as the Major Facility Siting Act, the Montana Indoor Clean Air Act, and the Administrative Search Warrant Act.
2. Since July, 1977, amended 19 existing administrative rules, ranging from the open burning rule and the food service establishment rules to the subdivision rules.
3. Drafted 13 new and emergency rules for bureaus, including such complex rules as the rule on the prevention of significant deterioration, the public drinking water rule, and the rule on in-situ mining of uranium. Furthermore, five administrative rules were repealed.
4. Completed forty-two administrative cases involving licensure and compliance orders. Furthermore, the Legal Division represented the Department in 13 contested case hearings. Most notable of these hearings were the Yellowstone River Reservations, the Clean Air permit for Colstrip Units 3 and 4, the appeal of the Missoula General Hospital of the denial of a certificate of need, and the variance renewals of the Anaconda Company and ASARCO.
5. Either defended the Department or brought suit in 21 district court actions, 12 of which went to hearing.
6. Negotiated settlements resulting in the collection of \$269,850 for the State of Montana.
7. Represented the Department in 6 appeals filed in the Supreme Court of the State of Montana, two of which have been heard.

HEALTH SERVICES PROGRAMDisbursements: FY 78 \$6,808,185
FY 79 \$7,845,905

PROGRAM DESCRIPTION: The Health Services Program provides preventive, therapeutic and consultative services to mothers, infants, children, the chronically ill, and the aging. The overall program goal is to protect and improve the health of all the people of Montana through positively influencing the provision of community health services.

PROGRAM BENEFITS:

1. The Handicapped Children's Program provides a broad range of medical services and case management to children having chronically handicapping conditions. Newborn infants in need of specialized intensive care were transported to major medical centers for treatment. This program, in coordination with the Developmental Disabilities Division of SRS, continues to be the only one of its kind dealing directly with a multidisciplinary approach for the delivery of treatment services to children. This program is aimed at insuring the provision of medical and evaluation services to children in need.
2. Family planning services, health care referrals, and community education efforts are provided to assist women in family planning and to ultimately reduce the incidence of premature births and birth defects and to increase preventive health measures. These services are provided out of fifteen locations in Montana and are readily available and accessible to all persons in Montana.
3. Maternal and Child Health Projects provide health services to high risk women, infants and children through health screenings, consultation, education, treatment and follow-up services.
4. The Nutrition Program interfaces with overall activities of Health Services and provides services to pregnant women, women of childbearing age, and infants and children in high risk groups. Training and consultation workshops were provided to public health professionals to assist them in dealing with the nutritional problems of the target population.
5. Dental Health provides services to children in Montana school systems through the School Preventive Program. The Flathead Dental Project continues to show success in that the number of children in need of emergent care has decreased significantly over a three-year period. The Flathead Dental Project is in its last year of operation. A new location will be selected for a similar demonstration project to be developed in 1980. The Anaconda Fluoride Mouth Rinse Program demonstrated a definite improvement in the dental health status of the Anaconda children. This project was completed in September of 1978.
6. The Nursing Program provides training, orientation, education and consultation services to community health nurses and school nurses in Montana. Work is also being done toward the expansion of community health nursing programs in those counties currently without such service.

Number of Persons Benefited

105

6. Nursing

a.	Number of Community Nurses served	250	146
b.	Number of hours consultation per nurse	3	4

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Agencies responsible for the provision of services to handicapped children should coordinate all their resources in an effort to provide each child the best possible care. A multidisciplinary approach to treatment and coordination of activities and funds of all agencies involved would ultimately result in the lowering of the cost of health care, reducing duplication and fragmentation of services, and increase the quality of care provided to the handicapped child.
2. The Health Services Program will work on regionalization of prenatal care to reduce Montana's excessively high infant mortality rate. The number of prenatal clinics for high risk pregnant women will need to be increased considerably if we are to make an impact on mortality and morbidity of young children (including the incidence of mental retardation).

WATER POLLUTION CONTROL PROGRAM Disbursements: FY 78 \$ 17,640
FY 79 \$ 0

PROGRAM DESCRIPTION: The Water Pollution Control Program is responsible for assisting cities through provision of construction grants to attain the highest level of sewage treatment. The Program was terminated June 30, 1978.

AGENCY DESCRIPTION:

The Department of Highways is responsible for the planning, layout, construction, reconstruction, improvement and maintenance of state highways. It is also responsible for social and environmental impacts relating to state highways. It embraces responsibility, as well, for the enforcement of Gross Vehicle Weight regulations. Additionally, through the Travel Promotion Unit, the scenic values of the state are publicized and advertised in a year-around effort to attract visitors to the state.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

On February 1, 1978, an approval of our Affirmative Action Plan was received and disseminated throughout the Department of Highways. During July, 1978, an addendum to this plan was made to more specifically address the handicapped. This was necessary to comply with Section 504 of the Rehabilitation Act of 1973.

During March, 1979, the Affirmative Action Program was brought into compliance with Federal Railroad Administration requirements. It has now been approved by the Federal Highway, Federal Railroad and Office of Civil Rights, both on regional and national levels.

The effects of the Department of Highways Affirmative Action Plan have increased minority employment from 3.5% in 1978 to 4.0% at June 30, 1979. Female employment has risen from 9.0% in 1978 to 12.5% at June 30, 1979. Statistics on the handicapped remained about the same at 18%. Most significant has been the increase of minority and female in non-traditional types of job categories, i.e. administrative, professional and technical.

The Department has continued its Supportive Services Contract with the Montana Contractors Association during 1978 and 1979, as well as the Minority Business Enterprise Program to encourage minority firms to do business with the state. In addition to these functions, the Department has developed a training contract with the Montana United Indian Alliance, in order to seek, train and place minority persons in the heavy highway industry.

The Interdepartmental Coordinating Committee for Women has been introduced to all Helena headquarter females. This committee has been actively participating in the programs mentioned above.

The new Highway Complex has been constructed to conform with all E.E.O. requirements. It is particularly designed to accommodate the handicapped.

GENERAL OPERATIONS PROGRAMDisbursements: FY 78 \$5,929,439
FY 79 \$6,538,276

PROGRAM DESCRIPTION: This program is responsible for the overall administrative activities and related service functions which are essential to and supportive of the other programs in the Department, including enforcement of G.V.W. regulations.

PROGRAM BENEFITS:

Centralized Services:

A word processing unit was established to produce nearly all of the typing activities in the headquarters building. Through this unit, we have eliminated eight full time positions and are capable of producing considerably more typing than was accomplished previously by twice as many typists.

A central dictating system which provides 24-hour access to our employees was installed. We hope to eliminate most handwritten items and use more dictation, which will save considerable time to the person dictating.

We placed mini-computers in our field offices in order to transmit accounting data directly from the field offices to our computer center. We will transmit all of our payroll, equipment rental, stores inventory and communications messages through these mini-computers. A savings of six full time equivalent positions will be made as a result of installing these computers. Also, management information will be much more timely.

Planning and Research:

The Statewide Transportation Planning Process is being more precisely defined, with greater effort being made to address the socio-economic and environmental aspects of highway projects. Planning for highway needs in the coal impact areas is also being addressed in more detail in order to support requests for extraordinary federal funds.

To expedite the funding and programming of current off-system funds, technical and informational services were extended to local governments. This not only speeds up local use of this funding, but provides the local decision makers with additional facts to make use of the available funding.

Extensive effort has been spent on the inventory of local off-system bridges. Prior to this time, information on these bridges was not readily accessible. A systematic approach and preliminary data base programming has made local bridge facts more available. This information has been useful in identifying high-hazard areas and will be helpful documentation for evaluating historic, engineering and architectural significance.

Further development and implementation of the Highway Safety Improvement Program has resulted in reducing the number and severity of accidents. Forty-seven statewide high-hazard accident locations have received special attention and action resulting in the speedup of study, design work and early construction in the area of greatest need. Final installation of mechanical protection devices on 17 highway-railroad crossings has been completed. Additional programs were initiated for this type of protection on 30 other crossings. Approximately 1,578 miles of pavement markers have been placed on more heavily traveled secondary routes.

Gross Vehicle Weight:

Our G.V.W. Division operated 37 weigh stations throughout the state, 25 on a regular basis and 12 on an intermittent basis with special assignment teams. Approximately one million vehicles were inspected and/or weighed for compliance with registration, size and weight, and Public Service Commission law during both Fiscal Years 1978 and 1979.

The G.V.W. Enforcement Program was restructured and one of the geographical areas was eliminated by redefining the boundaries into eight areas, rather than nine. Also, to create a more effective program of statewide communication and uniformity, the position of Assistant Chief - Enforcement Bureau was created in the G.V.W. Headquarters office.

Modifications were made to the Billings interstate eastbound weigh station to allow inspection and weighing of frontage road traffic, as well as interstate traffic. This has resulted in increased coverage and enforcement effectiveness.

Sites to accommodate portable weighing were completed on the interstate south of Shelby, and between Bozeman and Livingston. In cooperation with the Public Service Commission, these sites can also be used for vehicle safety and operating authority inspections.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: More organized coordination of efforts must be obtained between various state planning agencies.

Changing energy uses and availability is causing a critical impact on Montana's road-oriented public. There is a need to address the effect of energy on all transportation modes.

There is a need for continued construction of portable weigh stations throughout the state to increase enforcement coverage.

There is a need for continued improvement of weigh station buildings, grounds, and scale instruments. This would include restoration of facilities north of Great Falls on I-15 to a serviceable condition.

Plans are in progress for a new weigh station to be built 12 miles west of Libby at the junction of U.S. 2 and Montana 56. This would replace the existing facility at the south edge of Libby which is in a congested area, and provide for broader coverage.

Plans for a median weigh station about five miles east of Saltese on I-90 are being developed to provide for coverage of interstate traffic. When completed, the existing weigh stations at Frenchtown will be abandoned.

PRECONSTRUCTION PROGRAM Disbursements: FY 78 \$10,157,070
FY 79 \$11,541,295

PROGRAM DESCRIPTION: The Preconstruction Program is responsible for the planning stages of highway development, including determining location and design, public hearings, rights-of-way acquisition and final processing of the highway project for contract award.

PROGRAM BENEFITS: The Rail Planning Unit was transferred from the Department of Agriculture to the Department of Highways during the biennium. This unit is responsible for preparation of the State of Montana Rail Plan which establishes the state's eligibility for federal funding under the Local Rail Service Assistance Act. This unit will analyze light density rail systems within the state to determine state policy towards continuity of rail service on these systems.

Plans for 1,100 miles of new and reconstructed highways are on the drawing board in various stages of location and design. A program was initiated to remodel safety rest areas to make them barrier free for the handicapped.

Procedures were implemented in consultation with the Historic Preservation Officer of the Montana Historical Society to evaluate cultural resources and to put them in proper perspective.

Design or location review for minor drainage and irrigation facilities for about 800 miles of highway are in various stages of completion. Hydraulic studies for about 50 major drainage crossings for On and Off Systems crossings are in various stages of review or completion. Design or review of storm drainage and water line relocation for about 30 urban projects are in various stages of completion.

Sixty-three surfacing designs were prepared.

A total of 94.5 miles of topographic mapping and 104 miles of cross-sections from aerial photographs was completed.

Fifty-six public hearings on future roadway construction were conducted.

The Right-of-Way Bureau acquired the following property during the biennium:

<u>System</u>	<u>No. of Parcels</u>	<u>Acres</u>	<u>Cost of Right-of-Way Including Improvements</u>
Interstate	133	1,437	\$2,140,988
Primary	488	552	2,487,901
Secondary	134	444	610,646
Urban	88	28	1,107,737
Other	12	31	61,336
	<u>855</u>	<u>2,492</u>	<u>\$6,408,608</u>

The Utilities Section completed a total of 199 agreements for the relocation or adjustment of utility and railroad facilities.

The Right-of-Way Bureau continued activities designed to control advertising signs along the state's interstate and primary systems. Right-of-Way issued 496 permits for new signs and renewed permits for 2,214 signs. Negotiations were conducted with 16 major billboard companies for the purchase and removal of 418 non-conforming billboard signs. Presently, negotiations are underway with the last major billboard company for the purchase of approximately 530 non-conforming billboard signs.

DEPARTMENT OF HIGHWAYS

Relocation assistance was provided to 70 individuals or families, 4 farms and 22 business concerns which were to be displaced by highway construction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Studies need to be made in an effort to eliminate many of the state and federal regulations which cause an undue waste of time in the engineering and building of roadways.

CONSTRUCTION PROGRAMDisbursements: FY 78 \$100,679,958
FY 79 \$ 84,363,626

PROGRAM DESCRIPTION: This program is responsible for assuring that roads and bridges are constructed or reconstructed to accommodate the growing needs of state motorists. This program supervises highway construction from project award through completion and approval of the project.

PROGRAM BENEFITS: The accelerated construction program which commenced in Fiscal Year 1976 continued into Fiscal Years 1978 and 1979. The total dollar amount of awards in FY 1978 was \$68,966,408 and in FY 1979 was \$113,869,130.

These awards were made as follows:

<u>System</u>	<u>No. of Projects</u>	<u>Bid Amount</u>	<u>Miles</u>
Interstate	48	\$111,613,780	220
Primary	51	39,091,319	229
Secondary	25	16,859,952	143
Other	80	15,270,487	4
	<u>204</u>	<u>\$182,835,538</u>	<u>596</u>

The largest dollar amount awarded for any one month during the biennium was in August, 1978, totaling \$24,956,907. The largest single contract let during the biennium occurred in March, 1979. The dollar amount was \$9,400,893, for 6.6 miles of plant mix base, grading and structures on Interstate 90.

During FY 1978, 110 contracts were completed, and during FY 1979 107 projects were completed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is vital to Montana's highway system that Congress appropriate sufficient funds in order that Montana complete the interstate system as soon as possible and bring its primary, secondary and urban highway systems to a reasonable standard.

The Department recommends that special federal legislation be enacted which would provide special federal monies for road construction in coal-impact areas.

MAINTENANCE PROGRAM Disbursements: FY 78 \$23,167,810
FY 79 \$25,398,169

PROGRAM DESCRIPTION: This program is charged with the responsibility of preserving and restoring all highways and their appurtenances within the right-of-way of interstate, primary, and state-maintained secondary highways in Montana. The Maintenance Division functions to maximize the safety of persons travelling in the state, enhances the convenience of the public while moving about the state, and preserves the rideability of the highway system within the expected useful life of the road surfaces.

PROGRAM BENEFITS: Roadway maintenance reduces vehicle damage, eliminates hazards, reduces energy consumption, prolongs and provides a serviceable roadway for users in pursuit of countless activities.

During FY 1978 and FY 1979, the Maintenance Division performed routine maintenance on 20,665 lane miles of roadway, 64 rest areas, 645 building, 120 roadoil storage facilities, 120,000 acres of right-of-way, 600 litter barrels, 2,335 lighting units, 5,500 miles of fence, 90,000 signs, 490 signals, 1,100 miles of guardrail, 2,000 bridges, 19,000 lane miles of delineation and 220,000 square feet of pavement markings. In addition, work was performed as follows:

1. Performed special road patching on 120 miles of roadway.
2. Placed asphalt aggregate overlay on 116 miles of road.
3. Sealcoated 353 miles of roadway.
4. Rejuvenated 235 miles of asphalt.
5. Made special repairs on 16 bridges.
6. Provided comprehensive daily road information to aid motorists.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT. An intensified effort to bring about a preventive maintenance program is necessary.

The pavement structure of highway constructed in Montana is designed for a certain life (20 years flexible, 39 years rigid). During this period, preventive maintenance is required at regular intervals. From the date a new flexible pavement is placed, future activity must be planned for its preservation. At the 7-year point, a seal coat should be placed; at 13 years an overlay is required. This work does not qualify for any federal aid. Stereotype refurbishing must be continued throughout the life of the project. Unfortunately, the maintenance program has never been funded for these accomplishments. Too often an attempt is made to restore a pavement surface only when it is in distress. The mileage records for new construction projects indicates roads will not be rebuilt and meet standards for nearly half a century. On the primary system alone, 2,500 miles of highway out of a total of 5,500 miles are deficient. At this rate, preservation efforts by the Maintenance Program will have to be intensified.

The tremendous amount of output needed would require a large increase in material purchases, manpower, and equipment procurement.

In view of the large expenditure needs for a preventive maintenance program, as an alternate, we recommend that funds be provided for a preventive maintenance and surface restoration study. During the interim, the additional funding sought will be used to increase gravel stockpile quantities, seal coats, overlays and recycling on those roads most severely distressed and which are not programmed for reconstruction in the near future.

A preventive maintenance program will reduce expenditures on pot hole patching, special maintenance and betterment and will have a much greater cost-benefit in reconstruction, energy consumption and vehicle damage. Maintenance forces would be available to expand activities which would improve traffic services such as signing, signalling, striping, pavement marking, and roadside accessories.

TRAVEL PROMOTION PROGRAM Disbursements: FY 78 \$635,972
FY 79 \$656,909

PROGRAM DESCRIPTION: The Travel Promotion Program is responsible for publicizing Montana as a vacation destination state, with the goal of increasing visits from out-of-state travelers to Montana.

PROGRAM BENEFITS: As Fiscal Year 1979 ended, gasoline availability began to be a major concern, not only in Montana, but in other states that rely heavily on the economic benefits of travel and tourism. The Travel Promotion Unit, in an effort to serve the travel industry, held a small contingency budget in national advertising, and in late June began an area-wide advertising campaign to assure travelers that gasoline was generally available throughout the state. This unit was successful in the installation of an "800 number" so that travelers could directly allay their own travel fears.

1. As in the past, primary activity of the unit is national advertising in newspapers and magazines, and sending printed material in response to inquiries. Spring, 1979, saw a sizeable increase in number of inquiries based on approximately the same amount of advertising dollars invested. As the spring wore on, that increase eroded somewhat with the gasoline uncertainties, but at year end were approximately 10% ahead in numbers of inquiries. Constant contact is maintained with travel industry leaders throughout the state to determine their promotional needs and to assist them in every way possible.
 - a. Among the interesting new developments in national advertising was an off-season campaign called MELLOWTIME, financed by the Old West Regional Commission in an attempt to extend the travel season. Montana participated, with other Old West states, and felt that it was successful enough to warrant recommendation that the Commission continue the campaign for a second year.

- b. A new winter campaign was begun - SKI THE WILD WEST - a cooperative effort of ski areas in Wyoming and Montana, plus airlines, and others involved in the ski business. Both the Old West Trail and the Old West Regional Commission agreed to participate. First ads will run in late fall, 1979.

2. Promotional Activities.

- a. Montana staged a winter "blitz" in the Canadian market cities of Edmonton, Calgary, Regina and Winnipeg, in October, 1978. The new winter movie was premiered and calls were made on all media contacts as well as all travel agents. Members of the private sector participated at their own expense, which resulted in a highly successful one-week promotion.
- b. Montana continued its promotional activities for other seasons in Canada. Fully aware that the dollar devaluation tended to discourage Canadian travel, we are still aware that Canada is our nearest foreign market, and, as such, deserves special consideration in our marketing plans.
- c. Montana has cooperated with the Old West Regional Commission office in Frankfurt by supplying printed material, posters, films and general information material. We also arranged a portion of a familiarization tour of German travel agents in cooperation with the Commission.
- d. Montana cooperated with the United States Travel Service in hosting several groups of international writers and journalists representing all major countries.
- e. Montana arranged a special statewide meeting of travel-oriented people in Helena with members of the Japanese press. The result was a special section on Montana, Spring, 1979.
- f. The Tri-State Travel Conference was revived in Yellowstone National Park in May, 1979. Nearly 300 people from Wyoming, Idaho and Montana attended, and declared it a success. Plans are tentative to plan a tri-state conference every other year.

3. Movie Location Activities.

This fiscal year has proved one of the most successful to date in attracting Hollywood film productions to the state. We continue the part-time services of a representative in Hollywood which proves to be a valuable "plus" in our competition with other states to be selected for "on location" shooting. Most noteworthy of this year's films is Heaven's Gate, directed by Michael Cimino, being filmed in the Kalispell and Glacier National Park areas. Economic benefits estimates vary from \$10 million to \$25 million. Also filmed in Montana this year were Rodeo Red and the Runaway Girl, The Shining, South by Northwest, Second Time Around and Burnt Fork, numerous T.V. commercials and public service spots. Scouting was also done in the

state for The Thornbirds and a new Racquel Welch picture, the results of which have not yet been announced.

4. Travel Survey.

Financed by the HCRS, Old West Regional Commission, Fish, Wildlife and Parks and Travel Promotion, a travel survey was begun in June, 1979, to encompass travel patterns for the entire year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is necessary that states secure non-profit status in the eyes of the U.S. Postal Service to relieve the ever increasing burden of postage costs.

EQUIPMENT PROGRAMDisbursements: FY 78 \$7,358,202
FY 79 \$7,488,917

PROGRAM DESCRIPTION: This program is responsible for the purchase and maintenance of a fleet of equipment and vehicles for use within the Department of Highways. The primary objective is to provide replacement equipment and maintain and repair existing equipment in a cost effective manner.

PROGRAM BENEFITS: In both FY 1978 and FY 1979, our vehicles were driven 16,000,000 miles. Our hourly rated equipment was used 661,000 hours in FY 1978 and 745,000 hours in FY 1979. The large mileage figures and the increase in hourly usage are in part due to the severe winters and the increasing lane mileage maintained.

The purchase of three portable asphalt mixing plants made it possible to conserve petroleum products while at the same time provide better road maintenance repair.

Statewide shop equipment maintenance has improved, and we are making progress in working toward our goal of better training and service in order to reduce equipment down time and repair costs.

An extensive program of fuel conservation is being studied and will be implemented statewide.

The bureau overall has been able to supply the Department with the necessary day-to-day vehicles and equipment that were requested.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional funds should be made available to the Equipment Division for capital expenditures required by O.S.H.A., Worker's Compensation and Highway Safety for correction of deficiencies on older equipment.

The severity of past winters strained the bureau's budget and its ability to keep a fleet of aging snow removal machinery in operation. The inability to get parts for aging equipment in a timely manner has reduced the effectiveness of the fleet and increased downtimes. To remedy this, increased budget amounts to purchase new equipment will be necessary.

More extensive training programs should be implemented concerning the proper care and use of equipment.

MOTOR POOL PROGRAM Disbursements: FY 78 \$566,984
FY 79 \$599,727

PROGRAM DESCRIPTION: The Motor Pool Program was established to provide for the operation of a fleet of vehicles to be available to all state officials and employees in the Helena area for the conduct of official business.

PROGRAM BENEFITS: Motor Pool units were driven nearly 3.8 million miles during both FY 1978 and FY 1979. Motor Pool usage is sustaining a comparable year-to-year usage rate.

A continued reduction in the number of larger intermediate passenger vehicles and the increased number of compact vehicles is helping to boost the miles per gallon for the fleet.

The self-sustaining Motor Pool has and will continue to provide a cost efficient transportation system to all Helena-based personnel.

DEPARTMENT DESCRIPTION:

The purpose of the Department of Institutions is provided in Section 53-1-202, MCA. This section states: "The Department of Institutions shall utilize at maximum efficiency the resources of state government in a coordinated effort to restore the physically or mentally disabled, to rehabilitate the violators of law, to sustain the vigor and dignity of the aged, to provide for children in need of temporary protection or correctional counseling, to train children of limited mental capacity to their best potential, to rededicate the resources of the state to the productive independence of its now dependent citizens, and to coordinate and apply the principles of modern institutional administration to the institutions of the state."

In carrying out this purpose, the Department seeks to provide care and treatment services of a quality that will guarantee the rights of residents, comply with state and federal standards, and when possible, return residents of the institutions to a normal life in the community. The objectives are to improve the coordination of services provided by institutions and related community service programs, to improve the administration of all institutions through the development of new management techniques, and to make management information readily available to the institutions.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During the biennium, the Department initiated a series of workshops to make every employee aware of the Affirmative Action Plan and its purpose. The plan provides for equal opportunity to applicants and employees regardless of race, creed, sex, age, or physical handicap. The Department's Personnel Section will continue the implementation of the plan to insure that there is no discrimination in the recruitment of employees or in employee relations.

BOARD OF PARDONS

AGENCY DESCRIPTION:

The Board of Pardons was created in 1955. This board consists of three regular members and one auxiliary member appointed by the Governor with the advice and consent of the Senate. The board is responsible for the release of Corrections Division inmates on parole and furlough and reviews and makes recommendations to the Governor on all cases of executive clemency. The board endeavors to secure the effective application and improvement of that system and the laws upon which it is based.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employees are hired without regard to sex, marital status, age, physical or mental handicap, race, creed, color or national origin, or an intent to make the limitation unless based upon a bona fide occupational qualification.

ADMINISTRATION PROGRAM	Disbursements:	FY 78 \$72,203
		FY 79 \$81,897

PROGRAM BENEFITS: From the purely fiscal perspective, an offender paroled costs the state approximately \$400 a year to supervise, while imprisonment

per inmate is over \$10,000 a year. It is generally felt that individuals are capable of reforming. The Parole Board serves the state by deciding when this process has taken place. The function of the board is to parole, furlough or recommend executive clemency if, in their opinion, the offender no longer poses a threat to the community and he stands a good chance of not returning to prison.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The biggest single problem the board faces is lack of coordination with other correctional agencies. It would profit every part of the system if an outside expert could be brought in to advise on how to streamline the whole operation, especially in the area of records management. The saving of man hours which are now wasted on useless duplication would be considerable.

Over fiscal years 1978 and 1979, the board has attempted to dispel the image of a clandestine agency making decisions harmful to the public, by inviting the press into their sessions and seeking input on decisions from other criminal justice agencies. These efforts have been rewarded by board appearances on statewide television, feature articles being written on the board by major Montana newspapers, and a substantial increase of input from criminal justice agencies.

The board has had more than a 50 per cent increase in caseload within the past three years and handles the increase with less staff. A position was taken from the board and replaced by a half-time slot. The board desperately needs this clerk-stenographer position to be made fulltime.

BOULDER RIVER SCHOOL AND HOSPITAL

AGENCY DESCRIPTION:

Boulder River School and Hospital is the only full-range institution in the state for the care, treatment and training of mentally retarded persons. The purpose of the institution is to secure the treatment and habilitation suited to the needs of the individual, and to assure that such treatment and habilitation are skillfully and humanely administered with full respect for the person's dignity and personal integrity in the least restrictive environment possible. Admission procedures and basic guidelines for care, treatment and training of the residents are found in Sections 53-20-101 through 53-20-164 MCA. Compliance with state and federal regulations is a continuing goal.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Boulder River School and Hospital ensures that equal employment opportunities are provided to both on- and off-grounds applicants as outlined by bargaining unit contracts and state employment regulations. New applicants and employees are judged on merit alone, and not by sex, race, handicap or religion, as outlined in the Department of Institutions' 1977 Affirmative Action Plan.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$741,137
FY 79 \$763,621

PROGRAM DESCRIPTION: The Administration Program, consisting of the Superintendent's Office, Administrative Services and Fiscal Services, has

the responsibility for direction, services and accountability for the operation of the institution. The program provides support services in the areas of fiscal, personnel, purchasing/warehouse, inservice training, clerical and other administrative functions of the institution.

PROGRAM BENEFITS: The Superintendent's Office maintained contact with necessary agencies and organizations, heard grievances, and provided counsel and direction to staff.

Administrative Services recruits and hires for position vacancies. Position turnover for FY 78 was 71.1%; for FY 79 it was 68.2%. Information is researched, stored and disseminated as requested. Participation in the Individualized Data Base Project was maintained. During the biennium more than 4,000 visitors were provided tours of the institution, and more than 200 hours were spent assisting in the location of housing for new employees. Five hundred eighty-six new employees participated in the Pre-Service Training Program conducted by Staff Development. In addition, upgrade training was provided for HA I's and II's; and the Boulder Training Model educated staff in the system of resident assessment, teaching and behavior management. A Shift Supervisor Upgrade Class is offered semiannually. Some of the continuing education classes offered during the biennium were a sewing class for cottage laundry workers, a first aid class on airway obstruction for all staff, special gentle self-defense classes, a water safety class for recreation aides, special classes for instructing users in the new resident records system, and a graduate seminar in psychotropic drugs and medications under the auspices of the University of Montana. During FY 1979, continuing education classes served approximately 200 employees. During FY 1979 an Associate of Science in Human Services Program was offered at Boulder River School and Hospital under the auspices of Western Montana College. The program allows students to complete a two-year degree in human services from WMC by taking classes at Boulder. Employees may choose to acquire and use this degree to advance up the institution career ladder. Classes are open to the community, but the majority (75-85%) of the students are employees of the institution. There is no cost to BRS&H for this program. Mail room services were provided for the institution. In addition to all other types of mail, 660 packages were delivered to individual residents. The switchboard provided 7-day telephone service for both staff and residents, and printing services were provided for staff and residents.

Fiscal Services is responsible for all funds received or spent by the institution. Accounting handles all claims for payment and maintains budgetary information for all departments. Purchasing and Warehouse handle all orders and receivables, as well as maintaining inventory control on SIMS. This system is being modified to give the institution the ability to monitor usage of individual drug items. Payroll handles timekeeping and other pertinent employee information. Reimbursement billed Medicaid/Medicare or private insurances to obtain reimbursement for the state General Fund in the amount of \$4,878,363 in FY 1978 and \$4,719,071 in FY 1979. Resident Accounts provides residents an accurate accounting of their personal funds. During FY 1979 it was decided that maintaining a data processing section at the institution was economically unfeasible. This function will be handled by the Department of Institutions, effecting a substantial dollar savings for the institution.

During FY 1978, the Joint Commission on Accreditation of Hospitals conducted a survey at the institution and rated them 72.6% in compliance with its standards. During the biennium, the State Board of Health licensed the institution for 242 beds for Intermediate Care A, and 23 beds Acute Care. Organizational changes were made to better reflect service areas. Medical Peer Review was held. The Parents Advisory Council was active. The Developmental Disabilities Planning and Advisory Council and Easter Seal Advisory Council memberships were maintained. The Board of Visitors conducted on-site visits and made recommendations for improvement. The Resident Advocacy Program, directed by Rocky Mountain Development Council, assisted some of our residents, as did the Foster Grandparent Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Boulder River School and Hospital should strive to achieve full JCAH certification to provide the best possible resident care and training. State Board of Health licensure requirements should be met to maximize reimbursement by Medicaid/Medicare or private insurances to the state General Fund. Continual efforts should be made to comply with state and federal regulations. The institution should strive to maintain good relations with the unions and the community through open communication. Professional contracts should be maintained to keep our knowledge current. An exit interview process should be initiated to detail reasons for employment turnover. A plan to control unemployment costs should be implemented. Supervisory personnel should be provided consolidated personnel policies and procedures. Present job descriptions and evaluation systems should be reevaluated and an affirmative action program should be initiated to clarify information for supervisors and employees, thus enabling them to better understand exactly what is expected of them. Because of staff and budget limitations, the above is not currently possible.

CARE AND CUSTODY PROGRAM	Disbursements: FY 78 \$6,793,922 FY 79 \$6,706,025
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PROGRAM DESCRIPTION: The Care and Custody Program includes the Habilitation Department, Resident Support Department, Health and Medical Services Department, and Cottage and Hospital Services Department. The Care and Custody Program is responsible for the total care of the residents at all times; it includes residential living supervision and providing direct services to meet the basic needs of shelter, clothing, health care, food, and provision of the comprehensive continuum for each resident.

PROGRAM BENEFITS: The Habilitation Department continues to attempt to provide a safe, clean, stimulating and reinforcing environment for the residents. The program attempts to encourage the residents to be more independent by teaching them the basic self-help skills which most of them lack in varying degrees; and to promote their physical development to increase their mobility. During FY 1979 the staff conducted 29,366 hours of formal skill training, 108,659 hours of informal training, and 72,215 hours of activity training. Every resident has an individual habilitation plan developed by an interdisciplinary team to identify his individual needs and the plan for meeting those needs.

The Resident Support Department includes Food Services, Laundry, Sewing Room, Shoe Repair/Upholstery, Variety Shop, Barber/Beauty Shop, Word Processing Center and Plant Maintenance. Three nutritional meals were provided daily for residents and staff. Food items were also provided for special occasions and outings for the residents. Residents with special dietary requirements were served appropriately. During FY 1979, BRS&H Food Service joined the Federal School Lunch Program. A total of 1,062,223 pounds of laundry were processed by the central laundry during FY 1979, thus providing adequate, clean and attractive linens for the cottages and hospital. New laundry equipment was installed during FY 1979, and the Long Range Construction Project was completed. The Sewing Room mended clothing and linens, provided draperies, did adaptive equipment sewing and sewing machine repair, and completed special sewing requests to accommodate programmatic needs. Shoe repair and upholstery services were provided. The Variety Shop received donations and dispensed appropriate items to the residents. The cosmetologist position has been vacant since December, 1978. The barber served 729 residents during FY 1979. The Maintenance Section maintained the institution in the best possible condition with available resources. Condensate meters and electric meters were installed for our participation in the State Energy Conservation Study. Special items were built to enhance the residents' environment, and to support the program effort of the facility. Demolition of buildings 1, 2 and 4 was begun in August, 1978. The Word Processing Center provided typing services.

The Health and Medical Department contains Medical Consultants, Occupational Therapy, Physical Therapy, Adaptive Equipment, Pharmacy, Laboratory, X-Ray, Dietitian, and Cottage and Hospital Services. Medical Consultants continued to provide services in respective specialties not otherwise available to the residents. The dietitian developed new menus for the residents and staff, developed and implemented special diet menus, recorded diet histories and other dietary information in resident charts, and conducted inservice training classes on normal and special diets for appropriate personnel. The Dental Department provided services necessary to maintain an optimum level of oral health. This was accomplished by both preventative and corrective services. Medical Records maintained files, provided requested information as authorized, and developed and implemented a new resident records system. Irreducible or progressive disabilities are prevented, as far as possible, by Occupational Therapy, through orthotics, adaptive devices, positioning and sensorimotor experience. Treatment and training were provided to preserve and improve abilities for independent function such as range of motion, eye-hand coordination, sensorimotor development and integration. In FY 1978, 70 residents received more than 7,600 treatments and 159 residents were evaluated. During FY 1979, 73 residents received 6,927 treatments and 168 residents were evaluated. An on-going weekly inservice program was initiated and continued for cottage and other interested personnel as well as for Occupational Therapy staff. Physical Therapy provided services to 70-80 residents daily in both individual and group programs in FY 1978. During FY 79, staff reductions caused a decrease in services to residents. Approximately 60 residents per day were served. Inservice presentations and Orthopedic Clinic have been held on a regular basis. The Adaptive Equipment Department assisted Occupational and Physical Therapy in providing or repairing special equipment for each resident having a need.

During FY 1978, 500 prescription unit doses were dispensed daily by the Pharmacy, and in FY 1979 there were an average of 490 daily. There were 5,200 new prescriptions processed in FY 1978, and 4,350 in FY 1979. During FY 1979 there were 335,000 doses of medication packaged from bulk form to unit dose form, an increase of about 7% over FY 1978, due primarily to closer monitoring of patients' medication and serum drug levels. The Laboratory, which is accredited by the State Department of Health, does the lab tests as ordered by the physicians, and participates in a number of testing and quality control programs. During the biennium, the Radiology Department processed approximately 5,000 X-ray films in addition to fluoroscopies, EKG's, EEG's and clinical photos. Cottage and Hospital Services provided the majority of medical supplies and health care for the residents. Without these services, quality medical care could not be provided.

During FY 78, the Operating Room, Central Supply and Cast Room Inventory all became a part of the SIMS inventory system, and all supplies and clinics were billed by the ABARS computer system. Two nursing care audits, one on upper respiratory infections and one on pneumonitis, were completed in FY 1978. During FY 79, an ongoing audit of records of residents having had gastroesophageal reflux surgery was initiated. Over 8,000 clinic visits by residents were recorded during the biennium. A crash cart with defibrillator and cardiac monitor has been added to the hospital equipment.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Small living environments are needed for the residents to facilitate better quality delivery of services. Eliminated employee positions and budget cuts should be reinstated to at least maintain the level of services provided during FY 1979. Additional staffing is needed to provide for coverage for employee absences, more employee training, and more employees where needed to improve services to the residents. A more consistent safety program could be obtained by the addition of a fire/safety officer position to administer the fire, safety and security programs. Additional groundskeepers are needed to maintain the grounds in an attractive manner.

DEVELOPMENTAL PROGRAM	Disbursements: FY 78 \$631,170
	FY 79 \$563,741

PROGRAM DESCRIPTION: The Developmental Program consists of the Communication Department (Speech), Audiology Department, Title I Section, Education Department, Psychology Department and Recreation Department. Religious Services and the Foster Grandparent Program are administratively attached to Developmental Services, although the personnel involved are not employed by Boulder River School and Hospital. The State Library Branch at the institution was also attached to this program, but due primarily to minimal utilization associated with the present low functional level of the residents, it was discontinued in April, 1979. The primary responsibility of Developmental Services is to provide training, teaching therapy, recreation therapy and psychological services to residents. Its secondary responsibility is to develop techniques and methods to treat the problems associated with mental retardation.

PROGRAM BENEFITS: The Communication Department conducted 147 speech and language evaluations in FY 1978, and 177 in FY 1979. In FY 1978 an average of 43 people per week received therapy services. In FY 1979 the average was 30 people per week. Through impedance testing and other available forms of assessment, the audiologist is able to assist in designing programs to make the best use of hearing in hearing-impaired persons. Unfortunately, this position was vacant through most of FY 1978. During FY 1979, 220 residents received impedance testing, 10 received operant conditioning for puretone assessment, and 30 received puretone hearing evaluations. Three residents each year were fitted with hearing aids. One hundred eleven residents received Title I services in FY 1978; 75 received services in FY 1979. An average of 100 residents received educational services weekly in FY 1978; in FY 1979 an average of 75 received such services. Education evaluations for habilitative planning were provided to 172 residents in FY 1978, and to 169 residents in FY 1979. During FY 1978 Psychology conducted 123 individual therapy sessions and completed 260 annual psychological evaluations. In FY 1979, 50 individual therapy sessions were conducted and 239 annual psychological evaluations were completed. An average of 140 residents received recreation services per day in FY 1978; during FY 1979, 130 people received services each week day; Saturday and Sunday approximately 170 persons were served each day. Formal group religious services as well as individual counseling, teaching and worship were provided by a Catholic priest and two Protestant ministers. Foster Grandparents from the local community or bussed from Helena and Butte work with the residents four hours per day, five days per week. During FY 1978 and until April, 1979, Library Services utilized the Montana State Library in Helena as its primary source, although loans from other libraries were available. Library services were discontinued due to the lower functioning level of our present population.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The physical environment in Building 6 where the School, Title I and Communication Services are housed needs improvement. A speech therapist and an aide in communications and six aides in education would greatly improve training capability. A one-half time psychologist should be added, as one psychologist will fall far short in dealing with the established workload. A secretarial position assigned to the director would reduce the director's clerical involvement, improve communications, and would allow administrative and supervisory responsibilities to be more effectively carried out. The secretary would also reduce the typing and clerical load of the recreation supervisor and therapists, and the audiologist, and speech therapists.

COMMUNITY SERVICES PROGRAM	Disbursements:	FY 78 \$76,792
		FY 79 \$70,354

PROGRAM DESCRIPTION: The Social Services section is the major component of this program. It is administered by the Developmental Services Director who is also involved in public awareness, community liaison and interagency planning and communication. The primary goals of this section include; facilitating an orderly, appropriate and successful transition of residents from Boulder River School and Hospital to community services; the transition of developmentally disabled residents of other Montana institutions to either Boulder River School and Hospital or Eastmont Human

Services Center as appropriate; the provision of information to families concerning the progress and programs of residents; and the coordination of admissions and pre-admission services.

PROGRAM BENEFITS: Social workers participate in habilitation planning for all residents in the institution. Two hundred nine referrals for community placement were sent to Social and Rehabilitation Services during the biennium (135 in FY 1978 and 74 in FY 1979). Thirty-five residents were placed in the community in FY 1978, 18 in FY 1979. Fifty of these placements were from Boulder River School and Hospital; 3 were from Galen. Of the total placements, 36 were to group homes, 7 to foster homes, 7 to nursing homes and 3 in natural homes. During the biennium, 70 persons were transferred to Boulder River School and Hospital from other Montana institutions (61 in FY 1978 and 9 in FY 1979). Forty-three were transferred from Warm Springs State Hospital and 27 from Galen State Hospital. Eleven individuals were admitted to Boulder River School and Hospital for evaluation (5 in FY 1978 and 6 in FY 1979), and 9 were court committed (3 in FY 1978 and 6 in FY 1979).

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

CANTEEN PROGRAM Disbursements: FY 78 \$25,435
FY 79 \$22,176

PROGRAM DESCRIPTION: The Canteen provides a store-like atmosphere for residents. It also serves the non-ambulatory residents with a cart in their cottage.

PROGRAM BENEFITS: The residents have the opportunity to purchase treats and receive training on proper interaction in a store-like setting.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Hire an additional staff member to increase the hours of operation for the Canteen and services to the non-ambulatory cottages.

MONTANA CENTER FOR THE AGED

AGENCY DESCRIPTION:

The Center for the Aged offers long term care to geriatric residents that are 60 years old or older, ambulatory and transfers from Warm Springs State Hospital or referrals from one of the Montana mental health centers. The Center for the Aged provides care and treatment for mentally ill with full respect for dignity, integrity, personal liberty, and care for residents in the least restrictive, yet appropriate, environment. This facility is provided for by 53-1-202; 53-21-101 through 53-21-190 and 53-21-411 through 53-21-413, MCA.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employment policies with respect to advertising, recruiting, and hiring provided equal opportunity, as described by affirmative action. Admission policies and facility services are developed with no discrimination for race, creed, color, or handicap.

DEPARTMENT OF INSTITUTIONS

ADMINISTRATION PROGRAM Disbursements: FY 78 \$216,898
FY 79 \$204,643

PROGRAM DESCRIPTION: This program administers and controls budget and fiscal matters by planning, organizing, directing, coordinating and evaluating all programs to provide effective and efficient management of the facility.

PROGRAM BENEFITS: This program develops plans for coordinating and evaluating all facility functions relative to goals and gives the general public an economical and sound management of their tax money.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand the use of the computer terminal to cover inventories, patient records, patient funds, and supplies.

Re-structure the organizational lines of supervisors to improve the effectiveness of management. This would require the upgrading of some positions.

CLINICAL SERVICE PROGRAM Disbursements: FY 78 \$1,039,290
FY 79 \$ 249,367

PROGRAM DESCRIPTION: The Clinical Service Program is responsible for providing physical and mental care for patients. This program includes professional nursing services, medical services, and pharmacy services.

PROGRAM BENEFITS: This program provided physical and emotional support to 199 patients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need to increase the psychiatric staff development program.

RESIDENTIAL SERVICE PROGRAM Disbursements: FY 78 \$ 12,130
FY 79 \$884,119

PROGRAM DESCRIPTION: Residential Services is responsible for providing a comfortable, clean, safe, and functional environment at the institution, and a nutritious diet for patients.

PROGRAM BENEFITS: This program provides comprehensive care to 199 residents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for program management improvement to meet inflationary and other economic problems. There is a need for a full preventive maintenance program.

A maintenance person is needed to monitor boilers and security of buildings during nights and weekends.

DEPARTMENT OF INSTITUTIONS

DEVELOPMENTAL SERVICE PROGRAM Disbursements: FY 78 \$48,024
FY 79 \$72,690

PROGRAM DESCRIPTION: The purpose of this program is to assist patients in their psychological needs, and to help patients develop to their maximum potential. This program provides recreation activities and therapies to accomplish this potential.

PROGRAM BENEFITS: This program provides maximum physical and emotional development for 199 patients with a view toward possible discharge.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for a sensory integrations program which requires more funding for equipment and a contract with a physical therapist.

There is a need for a therapeutic building complex for expansion of the Therapeutic Program.

CENTRAL OFFICE

DIRECTOR'S OFFICE PROGRAM Disbursements: FY 78 \$303,718
FY 79 \$251,402

PROGRAM DESCRIPTION: The Director's Office is responsible for the effective management and planning of the programs of the Department's four divisions - Alcohol and Drug Abuse Division, Corrections Division, Management Services Division, Mental Health and Residential Services Division and their respective institutions, and for the administration of the Board of Pardons. In addition, the Director's Office provides direction in the organization and management of the Department to assure that all available resources are utilized to efficiently provide maximum services to the people of Montana.

PROGRAM BENEFITS: Specific accomplishments of the program during the past biennium included:

1. Securing legislative approval of the physician compensation plan which will enable the institutions to recruit licensed physicians.
2. Completing a major reorganization of Warm Springs State Hospital. The reorganization plan was designed to provide more efficient utilization of staff and to improve overall patient care and treatment.
3. Providing leadership in implementing a staffing pattern analysis for direct care personnel at Warm Springs State Hospital. The staffing pattern analysis has also been implemented at Galen State Hospital, Boulder River School and Hospital, the Center for the Aged, and the Eastmont Human Services Center.
4. Securing a legislative appropriation to hire an institutional industries coordinator. The coordinator will be responsible for providing leadership and guidance for institutional industry activities.

5. Assisting in the development of a cost for services funding mechanism and a uniform cost accounting system for the Community Mental Health Centers.
6. Completing the reorganization of the Department into four line divisions - Alcohol and Drug Abuse Division, Corrections Division, Management Services Division, and the Mental Health and Residential Services Division. The new organization structure was designed to improve the management and service delivery capability of the Department.
7. Assisting in the recruitment and hiring of a new superintendent for Pine Hills School. The new superintendent has initiated appropriate program changes to improve the care, education, treatment, and rehabilitation of the boys committed to the school.
8. Assisting in the development of a cost accounting system for the prison ranch.
9. Assisting in developing plans to transfer thirty patients from Boulder River School and Hospital to the Eastmont Human Services Center and fifty patients from Warm Springs State Hospital to Galen State Hospital. These patient transfers will result in improved services for the patients and increased reimbursement revenue to the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Director's Office will continue to provide the leadership to properly and adequately serve the needs of our clients and to provide the resources needed to make sound management decisions. During the coming year, efforts will be made to:

1. Improve the management of institutional industries.
2. Continue the refinement of the organization of the Department.
3. Improve the evaluation of programs to insure that resources are being utilized efficiently and programs are adequately achieving their purposes.
4. Develop a policy and procedures manual for the Department.
5. Assess the role and future of continued deinstitutionalization of clients of the Department.

ALCOHOL AND DRUG ABUSE PROGRAM Disbursements: FY 78 \$2,417,846
FY 79 \$2,050,204

PROGRAM DESCRIPTION: It is the responsibility of the Alcohol and Drug Abuse Division, under delegated authority from the Director, Department of Institutions, to establish means whereby the appropriate resources of this state may be focused fully and effectively upon the problems of alcohol and drug dependence and utilized in implementing programs for the control and treatment of these problems. Duties of the division include the following:

1. To approve or disapprove alcoholism treatment programs annually.
2. To prepare an annual state plan for the delivery of treatment services.
3. To provide for and conduct statewide service system evaluations.
4. To distribute state and federal funds in accordance with 53-24-206, MCA.
5. To plan in conjunction with approved programs and provide training of program personnel delivering services to alcoholics.
6. Establish criteria to be used for the development of new programs.
7. Certify and establish standards for the certification of alcoholism and drug dependence counselors.
8. Encourage planning for the greatest utilization of funds by discouraging duplication of services, encouraging efficiency of services through existing programs and encouraging rural counties to form multi-county districts or contract with urban programs for services.
9. To cooperate with the Board of Pardons in establishing and conducting programs to provide treatment for alcoholics and intoxicated persons in or on parole from penal institutions.

PROGRAM BENEFITS: Inpatient treatment facilities were established in Glasgow, Missoula and Miles City.

Alcoholism and drug abuse services were extended to residents of Pine Hills School for Boys, Swan River Youth Forest Camp, and Montana State Prison.

DWI Court School curriculum was developed and implemented in twenty-two alcoholism programs throughout the state.

An urban Indian program was established in Hardin and supplementary funding was awarded to urban Indian alcoholism programs in Butte and Missoula.

The State Employees Assistance Program provided referral services to 103 persons.

The Director of the Department of Institutions, in coordination with the Alcohol and Drug Abuse Division, organized the Statewide Task Force on Women and Substance Abuse for the purpose of setting statewide policies regarding women.

The division organized statewide youth committees in coordination with the Department of Social and Rehabilitation Services. The committees developed the "Montana State and Regional Plans on Youth Alcohol and Drug Abuse."

A computerized alcohol data collection system was fully implemented in all state-approved alcoholism programs in September, 1977.

Senate Bill 61 was passed by the 46th Legislature which mandates insurance companies to offer optional coverage for alcohol and drug treatment services.

The division provided training sessions to 508 community alcohol and drug program personnel in FY 1978 and 1979 and impacted an additional 800 individuals through the 1977 and 1978 Summer School on Alcohol and Drug Studies.

Certification requirements for alcohol and drug counselors were finalized by the Training and Certification Section with assistance from the Statewide Certification Planning Committee. House Bill 844, passed in April, 1978, gives the Alcohol and Drug Abuse Division authority to certify counselors.

A kindergarten through grade 12 curriculum guide has been prepared by the Alcohol and Drug Abuse Division in coordination with the Office of the Superintendent of Public Instruction (OSPI). The curriculum will be available to classroom teachers and health educators through OSPI.

Statewide alcoholism treatment programs provided services to 4,776 alcoholics, 979 DWI offenders and 992 family members during FY 1978. In FY 1979, 5,147 alcoholics, 1,283 DWI offenders and 1,216 family members were admitted to alcohol treatment programs. Drug programs provided services to 573 persons in 1977 and 619 persons in 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop program effectiveness indicators by encouraging client follow-up documentation at the program level.

Encourage all alcohol and drug service providers to collect client fees based on a sliding fee schedule for services.

CORRECTIONS DIVISION ADMINISTRATION Disbursements: FY 78 \$114,745
FY 79 \$217,470

PROGRAM DESCRIPTION: The Corrections Division derives its authority from delegation by the Director, Department of Institutions, as provided by Sections 2-15-122(1)(G) and (2)(b), 53-1-202 and 53-1-203, MCA. The Corrections Division exists to develop and administer an integrated corrections program for adults and youths. Special emphasis is placed on community supervision whenever possible and providing individualized treatment for each offender requiring institutionalization. For those incarcerated, adequate security must be maintained to protect the offender and prevent further transgressions against the public. The program provides leadership, direction and support for both line and staff operations. It assists in developing a continuum of correctional programs which place the individual in the least restrictive setting that is consistent with good judgment.

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PROGRAM BENEFITS: Specific benefits to the general public during the biennium included:

Modifying the direction of Pine Hills School, which resulted in changes in the leadership of the school.

Obtaining a federal grant for the evaluation of Pine Hills School by a neutral third party. This evaluation will serve as a basis for decisions and negotiations in the class action lawsuit that was brought against the school.

Assisting the Community Services Bureau in becoming the first state community corrections agency in the nation to be accredited by the Commission on Accreditation for Corrections. The accreditation process included an audit of the administrative office in Helena and the Life Skills Centers in Missoula and Billings.

Initiating the development of a cost accounting system for the ranch operation at the Montana State Prison.

Developing an institutional industries program that was funded by the 1979 Legislature.

Developing alternatives to deal with the prison population problem.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Continue to develop plans and programs to effectively manage the prison population problem.

Reorganize the central office staff to include a division level training program and a research, evaluation and data collections unit.

Revise the job descriptions of field staff to more accurately reflect their duties and responsibilities.

Develop a policies and procedures manual for the division.

BUREAU OF AFTERCARE PROGRAM Disbursements: FY 78 \$1,231,960
FY 79 \$1,290,971

PROGRAM DESCRIPTION: The Department of Institutions is charged by Section 53-30-23, MCA, to "establish standards of care, policies of admission, transfers, discharges and aftercare supervision in order to provide adequate care for children and adequate services to the court." The goal of the Aftercare Bureau of the Division of Corrections is to assist youth adjudicated as juvenile delinquents, and youth in need of supervision, to become well adjusted, productive members of society. In order to achieve these objectives, the following specific programs are deemed essential:

1. Care and Custody: All aftercare programs are community based and provide care and custody in a variety of areas. Initial attempts are

most often made to place a youth in his own home or that of an extended family member. If this is an impossibility, a variety of other community placements are available, including sponsor and boarding homes, residential treatment centers, residential evaluation programs, independent living, foster care, group home care and shelter care services.

2. Developmental Services: The aftercare counselor performs guidance and counseling functions relative to the supervision of juvenile offenders placed on parole or committed to the Department of Institutions.
3. Community Services: The emphasis of the Bureau of Aftercare is appropriately concentrated within the community. Community-based alternatives to correctional institutions presently exist as viable, operational entities, and the continued operation and development of these community-based programs will insure that predispositional care, placement, treatment, and follow-up will be available in the most appropriate manner to all eligible youth.
4. Administrative Services: It is necessary that sufficient administrative and supportive services be available to effectively carry out the goals and objectives of this program, including provision for staff training, staff development and the effective evaluation of all programs and activities.

PROGRAM BENEFITS: Evaluations and diagnostic services were provided for 88 youth in a community-based residential program in Great Falls (Youth Evaluation Program). This program makes use of support services from other community resources such as the Community Mental Health Center, the Great Falls School District and local medical services. Mountain View and Pine Hills School provided an additional 390 evaluations. Mountain View School's evaluation program has now been discontinued. Requests for evaluations are screened through the Bureau of Aftercare for appropriate placement.

1,034 youth received aftercare services during the biennium. Included in this total were youth in need of supervision who had never been placed in a juvenile correctional institution. 430 received aftercare services for the first time. During the biennium, the bureau spent \$12,788 on aftercare revocation hearings for youth who did not waive their hearing rights. These hearings provided for basic legal rights of youth charged with offenses which may have resulted in return to an institution.

There were 1,215 shelter care enrollments during the biennium. The average length of stay was twelve days. This represents a possible reduction of the same number of youth being held in jail for the same period of time. Shelter services were provided through six attention homes, three receiving homes, and ten emergency foster homes. The Shelter Care Program received substantial partial funding in the amount of \$97,000 per year for the next biennium.

Aftercare group home placements for 148 youth amounting to 15,824 total care days were provided during the biennium. These homes provided community residential living opportunities for youth, thus making the use of

many community resources available to them (schools, mental health centers, employment, etc.). The aftercare group homes in Missoula, Helena, Great Falls and Billings had a 68.31% occupancy rate during the biennium.

The training component of the Bureau of Aftercare provided inservice training for aftercare counselors across the state. Training was delivered through orientation sessions, workshops, conferences, contracted services, and individual on-site training. Within the Aftercare Program, training events were also provided to administrative and other central office staff.

The aftercare training effort has been extended to provide training for staff of each juvenile institution, as well as Swan River Youth Forest Camp. As a result of the solicitation of federal funds, the training effort was extended to the Bureau of Adult Probation and Parole during the first half of the biennium.

A major training program took place during the biennium which focused on the training of staff of aftercare group homes, district youth guidance homes, attention homes and achievement places. Funding was provided by the attainment of L.E.A.A. funds.

Perhaps the most significant contribution of the training effort during the biennium was the development of a profiling system in aftercare which is rapidly gaining popularity for use in other units of the Corrections Division. The system is not only designed to be helpful in working with offenders, but also inherently carries with it an accountability factor which should, in the future, contribute to a more concrete case of evaluating the effectiveness of the Aftercare Program.

As recommended in the previous annual report, the aftercare revocation procedures have been clarified and revised via legislative action, making them more workable and applicable to youth in community supervision.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the purchase of aftercare group homes be allowed. The increasing rent rate and contractual demands of landlords indicate that purchasing the homes would result in greater program stability and long-range savings to the state.

An important recommendation for program improvement is to gain accreditation of aftercare field services using standards set by the Commission on Accreditation for Corrections. L.E.A.A. funds are not available for this endeavor.

As noted earlier, shelter care has been partially funded from the state General Fund. It is recommended that the program be totally funded by the General Fund, based upon its demonstrated effectiveness and success.

It is recommended that the need for a research and training bureau within the Corrections Division be fully explored. Such an effort would allow the division to centralize its abilities in the areas of program planning, evaluation and reporting, as well as providing for the assurance of a well-trained staff on a division-wide basis.

The need for a youth evaluation program within the division is evident by the number of youth being referred and the increased popularity of the programs among the judicial districts. This, coupled with the effects of the discontinuation of the evaluation at Mountain View School, necessitates the following recommendations: that the need for additional community-based evaluation programs be assessed in detail.

It is also recommended that programs for developmentally disabled youth (IQ range 70 to 80) who are also delinquent be developed and maintained in order to better meet the needs of this special population of youth. In a similar vein, there is a need to develop appropriate in-state placements for emotionally disturbed youth who are also involved in delinquency.

In order to fully implement the recently designed Prescriptive Programming System, it is necessary that training be provided in each of the identified areas in which counselors direct their efforts. Included are alcohol and drugs, family counseling, employment skills, school performance and attendance, work habits, leisure time activities, domestic skills, self-concept, and communication skills. Counselors should receive intense training in at least three of these areas during the next year.

It is recommended tha the Prescriptive Programming Profile be fully computerized so that the data collected will assist in more fully evaluating the effecitveness of aftercare field services.

It is recommended that staff of all juvenile institutions be provided training in the use of Prescriptive Programming and that such a profile be completed before a youth's release from an institution. Such a training effort would require a minimum of 48 hours instruction for each clinical staff member.

It is recommended that a transition facility be developed for 17-21 year-old delinquents about to enter the community from juvenile institutions. At present there is a paucity of services for this age group, both at the institutional level and in the community.

It is recommended that staff training formally become a division-wide function. This would necessitate the identification of present staff members or possibly new staff members who become responsible for training in the bureaus and institutions. Such an effort would come under the direction and supervision of a unit supervisor.

COMMUNITY SERVICES BUREAU, DIVISION OF CORRECTIONS

BUREAU DESCRIPTION:

The Bureau of Community Services is responsible for the development, support and operation of community residential corrections centers, the Prison Furlough Program, and the care and custody of adult female felons. In addition, the bureau performs 45-day evaluations for both sentenced and pre-sentenced female felons as requested by district court judges.

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The purpose of the Bureau of Community Services is to assist adult offenders, both male and female, to become productive members of society and to provide for protection of the community.

The Bureau of Community Services was established in 1976 in accordance with authority vested in the Director of the Department of Institutions.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$ 48,028
FY 79 \$345,430

PROGRAM DESCRIPTION: The Administration Program includes expenditures for the Community Services Bureau Chief as well as the entire Prison Furlough Program. This operation provides for supervision and direction of all programs and is the backbone of the bureau.

PROGRAM BENEFITS: Administration has provided direction and effective coordination of necessary development components of two community residential correctional centers: one for sentenced female felons in lieu of out-of-state incarceration and a co-ed post care facility. Additionally, administration has provided overall direction and management leadership to the centers as well as to the Prison Furlough Program, the 45-day evaluation of female offenders and coordination of out-of-state incarceration for female felons.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that an evaluation component be added to more accurately assess the impact and worthiness of community-based programming at the adult level and a coordinated training effort be implemented to ensure increased skill level of staff.

LIFE SKILLS CENTER - MISSOULA Disbursements: FY 78 \$ 89,574
FY 79 Included
in Administra-
tion Program.

PROGRAM DESCRIPTION: The Life Skills Training Center is a co-ed community residential correctional center located at Fort Missoula. Client population includes Montana probationers, parolees, pre-releasees and federal parolees and probationers. Care and custody is provided for a maximum of 14 males and 2 females on a 24-hour a day basis. Included in program services is provision of meals, sleeping accommodations, a physical and recreational program, educational placement, job placement support, counseling, transportation and referral services to other community-based agencies.

PROGRAM BENEFITS: Care and custody in a community setting provides alleviation of the prison population, saves tax dollars, and protects public safety. This program expands the alternatives available to the correctional system in the sentencing process. Client responsibility has been strengthened and monetary gain to the state has been accomplished by passage of House Bill 77, which provides for the collection of board and room monies from Life Skills clients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Life Skills Center is the sole community residential center for adult felons in Montana and has responded to correctional needs of housing several categories of offenders. It is recommended that the Center accept only one classification of clients and that a follow-up evaluation program be initiated.

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FEMALE OFFENDER PROGRAM Disbursements: FY 78 \$106,484
FY 79 Included
in Administra-
tion Program.

PROGRAM DESCRIPTION: Three components comprise the female offender program: the Women's Life Skills Home in Billings, temporary care-custody, and evaluation in Missoula County jail and out-of-state incarceration.

The Life Skills Home in Billings provides community-based minimum security custody for sentenced non-dangerous adult female felons. Care and custody is provided to a maximum of 12 clients on a 24-hour a day basis. All women must either work or attend school. Included in program services is board and room, provision for overnight visitation of children, health care, counseling, educational and job placement, transportation and referral services to community agencies.

Missoula County jail is utilized both as an in-state temporary incarceration site and as a holding facility where 45-day evaluations are performed.

Nevada has contracted for incarceration of Montana female prisoners who cannot be incarcerated in a community setting. Average number of clients per day in Nevada is three.

PROGRAM BENEFITS: As with the co-ed Life Skills Center program, offenders who would normally be imprisoned are housed in a community-based facility which provides for saved tax dollars. Incarceration of females in the community satisfied the problem of equal treatment of prisoners. Only the most difficult to manage must be sent out of state. The evaluation component provides judges with pertinent information to be used in the sentencing process provides information to the Department of Institutions in proper placement of female offenders.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The number of women offenders being sentenced has greatly increased in the past three years. Sentenced females are housed in four separate facilities. It is recommended that a centralized program for female offenders be considered. It is recommended a van be purchased for the Billings program for the transportation of clients.

PRISON FURLOUGH PROGRAM Disbursements: Are included in
Administration
Program

PROGRAM COST: The Prison Furlough Program is administered by the Furlough Coordinator who is directly responsible to the Community Services Bureau Chief. The program cost is included in the administration budget; there are no other subordinate positions, as the program used volunteer services.

PROGRAM DESCRIPTION: The Prison Furlough Program was established to allow selected inmates to procure treatment, education and/or employment while at the same time fulfilling the obligations of the imposed sentence. Prison Furlough is a highly structured and carefully monitored program.

PROGRAM BENEFITS: Overall effectiveness of furlough may be shown by comparing the number of furlough violations (6) to the total number of furloughs granted (44). This equates to a success or completion ratio of 86.4%.

During the 1979 biennium, there were a total of 6,529 man-days of release from custody. At this same period of time, 17 furloughees were granted parole and only one has recidivated or been returned to custody while in a parole situation.

The Life Skills Center is cost effective; the expense of maintaining a prisoner at the Montana State Prison is \$35/day vs. \$28/day at the Life Skills Center.

Court-ordered restitution; taxes paid, etc.; was calculated at \$165,629.96 over the last two years.

Further benefits, which cannot be measured, include the long range effect of receiving education or training which will enhance the prisoner's chances of success within the community.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legislation to address the problem of escape or AWOL while in the community setting.

Use of the furlough program to meet the needs of the developmentally disabled offender.

Encourage greater use of furlough by the Parole Board instead of relying on parole releases and allow the prisoners to use furlough as a pre-parole, instead of demanding that all furloughs must be an exemplary program of rehabilitation.

Formalize training for volunteer supervisors.

PROBATION AND PAROLE BUREAU Disbursements: FY 78 \$737,990
FY 79 \$752,368

PROGRAM DESCRIPTION: The Probation and Parole Bureau Program is responsible for providing parole and probation supervision for Montana district courts, the board of Pardons and members of the Interstate Compact Agreement, and for conducting investigations and making recommendations to the Governor, district and justice courts, the Board of Pardons and other criminal justice authorities. The goals of the program are to protect society and return all adult offenders to the community as law abiding and taxpaying citizens.

PROGRAM BENEFITS: Many of the benefits of the program are best revealed in a statistical presentation. The following are indicative of supervision performed:

1. Average monthly caseload of
probationers and parolees 2,163.58
2. Montana probationers 1,512.58
3. Montana parolees 410.41

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4.	Out-of-state probationers in Montana	185
5.	Out-of-state parolees in Montana	56.08
6.	Montana cases supervised in other states	449.25

Investigations are an important benefit. The following are indicative:

1.	Pre-sentence investigations	778
2.	Admission reports	1,056
3.	Violation reports	460
4.	Other reports (Progress and Conduct, Furlough, Special)	1,196

A further benefit is the collection of fines, restitution and court costs. The following were collected:

1.	Restitution	\$ 87,416
2.	Court Costs	10,494
3.	Alimony, Child Support	36,118
4.	Fines	22,934
TOTAL		<u>\$156,962</u>

Finally, \$1,230 was loaned to parolees from the Revolving Fund; \$1,018 was paid back on such loans during the year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implement training that will:

1. Provide bureau employees with training in legal changes which were authorized by the legislature and provide new officers with the knowledge to perform their duties adequately.
2. Provide the officer with training in the current methods of supervising persons on parole and probation.
3. Provide the officer with training in methods of investigation which will reduce the time required to adequately investigate a situation and prepare the required report.

MANAGEMENT SERVICES DIVISION Disbursements: FY 78 \$564,860
FY 79 \$673,795

PROGRAM DESCRIPTION: The division is comprised of the Administrative Services Bureau, the Information and Systems Bureau, and the budget analysis component.

The Administrative Services Bureau is responsible for the accounting, reimbursement, and personnel functions of the Department. The Information and Systems Bureau supervises and maintains all the data processing functions within the Department. The budget analysts prepare the Central Office budget and analyze and monitor institution budgets.

PROGRAM BENEFITS: The implementation of the Automated Billing and Accounts Receivable System and consolidation of the reimbursement function have resulted in revenues to the General Fund in the amount of \$7,807,699 in FY 1978 and \$7,581,137 in FY 1979.

The Offender Based State Correctional Informational System has been implemented. This system will furnish information to project future correctional needs. This data should prevent any unnecessary capital construction to accommodate a temporary overpopulation at any of the correctional institutions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: More staff training in personnel policies and procedures at the Department of Institutions. This would assure better recruitment, less employee turnover, and fewer employee grievances.

MENTAL HEALTH AND RESIDENTIAL

SERVICES DIVISION Disbursements: FY 78 \$2,034,091
FY 79 \$3,585,959

PROGRAM DESCRIPTION: The primary function of the Mental Health and Residential Services Division (MHRSD) is to provide administrative leadership and coordination for a wide range of human service programs including the institutional and community programs for the mentally ill; institutional programs for the developmentally disabled; residential programs for the alcoholic; programs for veterans and geriatrics with associated emotional problems; and federally funded grants for the development of a broad scope of community support programs for deinstitutionalized patients and the development of mental health manpower in Montana. The division is provided for in 53-21-202 and 203; MCA.

The division follows the affirmative action plan formulated for the Department of Institutions as per the Management Services Division Annual Report.

1. Services for the mentally ill: Mental health services in Montana are designed to treat individual, family and community stress. The range of problems addressed by the interlocking system of services extends from the treatment of individual mental and emotional disruption, to the repair of family disorganization, to the provision of community wide services that emphasize total community health. The Montana mental health program provides a single state hospital at Warm Springs (WSSH) and five community mental health centers (CMHCs), whose satellite network reaches into every county in the state. Inpatient and intensive therapeutic care and treatment is provided at WSSH to persons with severe mental disturbances. The five CMHCs each offer the federally mandated services as required in PL 94-63: inpatient care, outpatient care, day treatment and partial hospitalization, 24-hour emergency service, services to children and elderly, alcohol and drugs, transitional or group homes, aftercare, screening and diagnosis, and consultation and education.
2. Services for the developmentally disabled: Residential programs for the developmentally disabled are provided at two state operated facilities: Boulder River School and Hospital and Eastmont Training Center. Both facilities have developed a sophisticated range of programs and services geared towards amelioration of the effects of developmental disabilities and to prepare individuals for eventual transfer to less restrictive community-based programs.

3. Services for geriatrics: Services are provided for Montana citizens at two facilities: The Veterans' Home and the Center for the Aged. The Veterans' Home was established and is operated for Montana citizens who are veterans of any branch of service. The Center for the Aged is operated for individuals whose geriatric conditions are associated with emotional and/or behavioral problems but whose disturbances are not so great as to require the intensity of care provided by WSSH.
4. Galen State Hospital provides residential services for the evaluations, care and treatment of persons suffering from alcoholism, drug abuse, tuberculosis, silicosis, strokes or emphysema.
5. Community Support Service: The Community Support Service, a unit within the MHRSD, was established in January, 1978, through a four-year NIMH contract. Its purpose is to develop a workable model for serving the severely mentally disabled through the coordination of federal, state and local resources, and thereby facilitate deinstitutionalization of WSSH and prevent new or readmissions. The model was first developed by the South Central Montana Mental Health Center, and is now being replicated by the Eastern Montana Mental Health Center.
6. Mental Health Manpower Project: This project was funded in July, 1978, through a NIMH grant. Its overall mission is to marshal the human resources necessary to improve the ability of the Montana mental health system to respond to the state's mental health needs and problems. Specifically, its goals are to improve coordination with both public and private agencies, which will result in long range policy agreements impacting upon mental health services; and to implement specific training and educational programs which address themselves to immediate manpower gaps in Montana.

PROGRAM BENEFITS: During FY 1979, approximately 20,000 citizens of Montana received services from programs administered through the MHRSD. Such services ranged from outpatient therapy at a local community mental health center, to short term inpatient psychiatric care at Warm Springs State Hospital, to intensive behavior modification programs at Boulder River School and Hospital for a retarded child engaged in self-mutilation behavior, to long-term care for geriatric patients at the Center for the Aged. Through intervention and therapeutic assistance, the vast majority of these patients are able to return to their homes and regain their role as productive and participating members of society.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The following three areas of improvement are viewed by the division as important to the development of a responsive and coordinated mental health service delivery system in Montana:

1. Improved licensure and certification standards. There is a need for more comprehensive licensure and certification standards for group homes for the mentally ill, the CMHCs and mental health professionals, as such standards would help to strengthen mental health services in Montana.

2. Increased support services for the chronically mentally ill. Although Montana has come a long way in deinstitutionalizing Warm Springs State Hospital, there are still some patients left there who could be discharged immediately if more community-based services were available to them. In addition, those patients already in the community are not receiving the breadth of services, especially those that are job oriented, that could be provided for them.
3. Increased interagency cooperation and planning for programs for children and the elderly. Two populations which could benefit from increased mental health services in Montana are children and the elderly. Since several state agencies serve these groups, interagency cooperation in developing programs for them will increase services in a most effective and cost effective manner.

MONTANA CHILDREN'S CENTER PROGRAM Disbursements: FY 78 \$ 99,851
FY 79 \$134,146

PROGRAM DESCRIPTION: The program provides for custodial care of the closed facility.

PROGRAM BENEFITS: Maintenance prevents deterioration of the institution's buildings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to maintain and provide adequate security for the facility.

Obtain a determination regarding future use of the institution.

EASTMONT TRAINING CENTER

AGENCY DESCRIPTION:

The Center is responsible for providing a five-day residential and day training program for profoundly/severely mentally handicapped children between the ages of four and seventeen years, offering instruction in academics, home living, recreation and physical education, speech therapy, pre-vocational training, self-help, and socialization. The Center's goal is to allow these children to remain in their homes and communities as functioning and supportive members of society. To achieve this goal, Eastmont Training Center emphasizes cooperation with community groups and agencies, and education of the public about developmental disabilities, specifically mental retardation.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Eastmont Training Center (ETC) has made the general public aware of all open employment positions during FY 1978 and 1979. In addition, all qualified applicants have been interviewed for these positions. All staff are given an opportunity to apply and interview for the same positions. ETC has utilized the Department of Institution's Central Office, Montana Employment Service, local, state and national media, and placement agencies to advertise job opportunities.

ADMINISTRATIVE SERVICES PROGRAM Disbursements: FY 78 \$134,792
FY 79 \$145,947

PROGRAM DESCRIPTION: Administrative Services is responsible for the effective supervision and coordination of Center programs, fiscal management, administration, and cooperation with other agencies and with the general public. In addition, Administrative Services is responsible for inventory control, purchasing, all phases of fiscal management, and maintenance of the grounds, buildings, and equipment to provide a safe physical environment conducive to student education and staff efficiency. This program exercises the equal employment opportunity policies for the agency.

PROGRAM BENEFITS: The administrative program benefited the State of Montana by providing administrative direction to the institution's delivery of services for developmentally disabled children.

Administrative staff attended 137 public meetings in FY 1978 and FY 1979 as consultants for the advancement of quality services for developmentally disabled people.

The average daily attendance of pupils was increased, partially as a result of the Center assuming the student transportation responsibility from the parents.

The Center was chosen as a site for the State Energy Program particularly because of its conservation savings index of over 15% annually in energy consumption.

Safety prevention management resulted in no physical injuries to employees or residents, yielding increased hours of employee work hours and student training hours.

Administrative services supervised the successful construction of the Eastmont Human Services Center.

This program supervised the successful completion of the curb and gutter project which has eliminated the erosion of the existing pavement.

The administrative staff played a key component in the award of a HURA grant totaling \$600,000 over a 3-year period for the screening and diagnosis of handicapped children in eastern Montana.

The administrative staff was instrumental in providing information to the legislature to make the decision to have Eastmont Human Services Center serve mentally retarded residents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increased opportunities for staff career development are recommended. Planning must begin for the development of new alternatives in regard to long term utilization. Other recommendations include:

Increase environmental safety by installing smoke and fire detection equipment.

Upgrade position classifications.

Improve energy utilization and conservation.

Landscape the new Eastmont Human Services Center.

Purchase equipment to save labor and handle increased campus area.

Provide 7 day a week program for 8 weeks during the summer.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$171,615
FY 79 \$189,112

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for the residents' personal care in cottage life and for providing training in an informal learning environment so the children may develop acceptable social and living skills. Also, the program's responsibility includes diet preparation and food budgeting. The food service personnel are responsible for providing a pleasant, clean and enjoyable atmosphere which complements the total care of the residents.

PROGRAM BENEFITS: Nutritional and dietary benefits were accrued via the enrollment and graduation of food service employees in a food service supervisor correspondence course from the University of North Dakota.

Furniture and recreational equipment was purchased to enhance the "home-like" setting of the Center. Furniture was also upholstered.

The staff increased their knowledge and ability to communicate with the children through in-service training sessions on sign language.

Good student health care contributed to the average daily attendance of 26.7 for FY 1978 and 25.1 for FY 1979.

The habilitation aides visited the group homes and sheltered workshops in eastern Montana in FY 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Kitchen equipment which will enable food service staff to prepare special food and provide labor savings be purchased.

Benefits would be available from expanding supplementary services by contracting a physical therapist.

The capability of the environment to respond to the needs of more physically handicapped children needs to be increased.

Training for counselors in therapy for emotionally disturbed children is needed.

DEVELOPMENTAL SERVICES PROGRAM Disbursements: FY 78 \$143,914
FY 79 \$152,793

PROGRAM DESCRIPTION: Eastmont's education department assumes the accountability and responsibility for establishing the training and treat-

ment programs that include education, community awareness, social development, self-help skills, and pre-vocational training for all students. Three non-graded classes, with one certified teacher and one teacher's aide in each, receive support services from a speech pathologist, a recreational therapist and a psychologist. Educational training and services are continually upgraded to comply with special education rules and regulations promulgated by the Office of Public Instruction.

PROGRAM BENEFITS: The benefits include prescriptive instruction for each student which reflects his/her needs for an individually tailored program, a continuation of a nonambulatory day care educational program, and programming for severely multihandicapped students. This includes the use of sophisticated prosthetic training aids that enhance the training of fourteen students. A revised and updated edition of the Eastmont Training Center Adaptive Functioning Checklist for evaluation use of students' needs and current abilities was accomplished, as well as parent questionnaires ascertaining the usefulness of program implementation with the Eastmont Training Manual. Other benefits include:

The publication of New Dimensions, a bimonthly journal depicting on-going programs at Eastmont and research articles from other facilities concerned with services and facilities for developmentally disabled people.

Continual parent contact and training.

Continuation of the Human Services Intern Program with Dawson Community College.

Graduate instruction to teachers in teaching methods with developmentally disabled children from the University of Washington, Special Education Unit.

Regular in-service training films detailing methods of teaching and behavior management of clients served, as well as the availability and utilization of guest lecturers speaking on relative topics.

Establishment of evening socialization and community awareness programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional programs to provide professional outreach capability to parents, schools, and other agencies.

Additional equipment and materials as mandated by the admission of more severely handicapped students.

Increase the availability of educational training and conference participation for continued staff development.

COMMUNITY SERVICES PROGRAM	Disbursements: FY 78	\$21,085
		\$16,839

PROGRAM DESCRIPTION: The Community Services Program is responsible for establishing and maintaining admissions and placements of residents. This service includes professional assistance in planning the education of residents at Eastmont as well as providing information, consultation and referral services to families and agencies in the development of community services.

PROGRAM BENEFITS: Twenty-two percent of the Eastmont population for FY 1978 were placed in less restrictive residential or educational placements. Fourteen percent of the Eastmont population for FY 1979 were placed in less restrictive educational or residential placements.

Six students were formally evaluated and admitted to Eastmont's training program for FY 1978. In FY 1979, a total of 7 students was formally evaluated, 5 of whom were admitted to Eastmont's training program.

There was a 27% increase over FY 1977 in the number of parental contacts initiated by the Community Program in FY 1978. There was a 14% increase over FY 1978 in the number of parental contacts initiated by the Community Services Program in FY 1979.

The Community Services Program acted in a consultative capacity at 30 meetings and seminars in FY 1978 and 58 meetings and seminars in FY 1979 dealing with establishment or maintenance of community-based service systems.

During FY 1979, the Community Services Program initiated and completed a 17-county needs assessment to identify multi-handicapped developmentally disabled individuals and the services they were receiving. This information was used to identify service deficiencies and aid in establishing additional services in the region.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase the outreach capacity of Community Services to expand consultation with public and private schools and contacts with parents, state, and local agencies.

GALEN STATE HOSPITAL

AGENCY INFORMATION:

The Hospital's primary functions are the treatment of tuberculosis and silicosis and the treatment of alcoholism and drug related illness. If space is available, Galen State Hospital also treats patients with other lung diseases and houses some developmentally disabled persons with medical problems. The Hospital also operates an outpatient pulmonary clinic and gives consultant services to other institutions and physicians.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

We are signatory to: Assurance of Compliance with SSA Regulations under Title VI of the Civil Rights Act of 1964, Section 606 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended. Compliance data is posted in conspicuous locations throughout the Galen State Hospital complex.

ADMINISTRATIVE PROGRAM Disbursements: FY 78 \$1,032,234
FY 79 \$1,150,320

PROGRAM DESCRIPTION: This program is designed to coordinate and supervise all activities regarding all physical and operational functions, including financial, personnel, security, medical records and maintenance of the physical plant in order to attain stated objectives in all other programs.

PROGRAM BENEFITS: In order to obtain our ultimate overall goals without sacrificing quality medical care and treatment, operating efficiency of personnel and financial resources was increased. An ABAR computer terminal was installed which transmits data to the Department of Institutions, Reimbursement Division. This has significantly increased collections that are credited to the General Fund. Byram Hospital, which formerly housed developmentally disabled men, is now being used as a second warehouse location, thus allowing us to raze the Pavilion and thereby eliminate insurance premiums and a potential fire hazard. In doing this, the need to fund additional warehouse space as requested in the Long Range Building Programs is eliminated at a savings of \$185,000. Clothing, laundry supplies and other items have been inter-transferred with Warm Springs State Hospital, in keeping with the recommendations of a sub-committee on appropriations. Our laundry equipment inventory was transferred to Montana State Prison and Boulder River School and Hospital. The fire safety project for the alcohol treatment building has been completed; major items include internal alarm system, automatic smoke and fire doors, emergency lighting and connecting this system to the total fire alarm system for the hospital complex.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Serious consideration be again given to all items requested in our long range building program.

Add one maintenance electrician.

Add one additional terminal and one data terminal operator in order to provide the capability to computerize the central storekeeping system.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$2,705,015
FY 79 \$2,524,719

PROGRAM DESCRIPTION: This program is designed and is responsible for the care and medical treatment to restore patients' health as quickly as possible and provide nourishing meals and a clean, orderly environment.

PROGRAM BENEFITS: The program continued to provide care and treatment of patients with tuberculosis, alcohol and drug related illnesses. It now has six fully licensed medical doctors on its staff. All acute medical care functions of Warm Springs State Hospital have been transferred from Warm Springs to Galen State Hospital. The program is providing Warm Springs State Hospital with clinical laboratory services, which has saved Warm Springs a substantial amount of funds. Since September 1, 1978, Galen physicians have been providing outpatient medical services to the prison in Deer Lodge each afternoon Monday through Friday. The physician on call at Galen also advises treatment at other hours. This service has substantially reduced overall cost for the prison. 62,817 inpatient days of care in FY 1978 and 55,508 inpatient days of care in FY 1979 were provided. The average daily census was 172 in FY 1978 and 152 in FY 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide beds, care and treatment for victims of catastrophic illnesses and youthful alcoholics.

Better utilize available hospital beds to increase efficiency.

DEPARTMENT OF INSTITUTIONS

Provide acute medical care, postoperative care and medical services directly to Montana State Prison.

DEVELOPMENT PROGRAM Disbursements: FY 78 \$298,356
FY 79 \$317,655

PROGRAM DESCRIPTION: The program provides care and rehabilitative services to both regular hospital and addictive disease patients.

PROGRAM BENEFITS: The program provides inhalation, physical and occupational therapy and counseling, and individual treatment plans for each patient, all designed through the use of modern intervention techniques to return patients to optimum functioning levels with the goal of their being placed into a less restrictive setting.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide added rehabilitative services to the program structure. This would reduce the length of stay at Galen.

COMMUNITY SERVICES PROGRAM Disbursements: FY 78 \$45,096
FY 79 \$51,541

PROGRAM DESCRIPTION: The program coordinates both receiving and placement functions of patients with communities.

PROGRAM BENEFITS: The program provides information to communities about the wide range of services available at Galen State Hospital; cooperated with state agencies in the placement of patients into settings of a less restrictive environment; and assured accountability and continuity of care between the community and Galen State Hospital.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Interconnect through a computer system with all alcohol programs in Montana and share data, treatment results and follow-up information to determine weaknesses and strengths in reaching our goals and objectives in order to provide the best possible results.

MOUNTAIN VIEW SCHOOL

AGENCY DESCRIPTION:

The purpose of the Mountain View School is "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services."

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

All help wanted ads, hiring, promotion, and termination policies are made without regard to sex, marital status, age, physical or mental handicap, race, creed, color, or national origin. The Mountain View School attempts to fill positions with the most qualified applicant who appears to most adequately meet program needs.

DEPARTMENT OF INSTITUTIONS

ADMINISTRATION PROGRAM Disbursements: FY 78 \$249,908
FY 79 \$260,158

PROGRAM DESCRIPTION: The Administration Program provides the necessary supervision, accountability, evaluation, staff development, and training to insure the institution accomplishes all that is required by law and remains within the legislative appropriation. It also provides the professional leadership and moral commitment to the treatment of each child as an individual having innate worth and dignity in the least restricted institutional environment necessary for the protection of the child and/or the general public.

PROGRAM BENEFITS: Two hundred and twelve children were in the institution during the 1979 fiscal year. Of this group, 56 were boys who were committed for the 45-day evaluation program, 4 were federal female juvenile offenders, and 9 were tribal-committed juvenile females. The recidivist rate for the year was 8 percent; while the average length of stay was 10 months. The average daily population was 50; the number of runaways from the institution grounds was 8, and all were apprehended. The 45-day evaluation program for boys was terminated on May 4, 1979.

The Mountain View School maintenance crew processed 293 work orders with many of them involving major remodeling or repair work.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Two of the older cottages should be replaced with two one-story, fire resistant, 32-bed duplex cottages. A new warehouse is also needed.

Consideration should be given to some type of blanket health and dental insurance policy for all Mountain View School students. The cost of this program is continuing to increase rapidly. A full-time psychiatrist at the Mountain View School should also be considered.

With the emphasis on keeping children out of institutions, the type of child now received at the school is much more delinquent and/or disturbed than in previous years. Staff members are in need of a more structured, on-going training program. The Staff Development Program should be funded to educate and train Mountain View School staff members.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$539,933
FY 79 \$553,359

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for providing each child with safe, clean living quarters; nutritious food; proper clothing; adequate medical and dental care; recreation; housekeeping and personal hygiene training.

PROGRAM BENEFITS: The Care and Custody Program provides basic individual needs to each student committed to the institution for diagnosis, treatment, and care. Without meeting these needs, the assigned institutional purpose or rehabilitation and evaluation could not take place. Two hundred and twelve students were cared for during Fiscal Year 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The rise in cost of medical and dental care necessitates the need to investigate the possibility of a blanket insurance policy to cover these needs. The possibility of including institutional residents in federal medical programs should be explored. The accomplishment of an alternative would allow more emphasis to be placed on medical and dental needs than is possible at present.

DEVELOPMENTAL SERVICES PROGRAM Disbursements: FY 78 \$345,194
FY 79 \$347,263

PROGRAM DESCRIPTION: The program exists to provide both diagnosis and/or treatment of all children through the Clinical Services Department which consists of social workers and a psychologist. A contract with the Southwestern Mental Health Center also provides additional psychological and psychiatric services.

An accredited high school is also provided; emphasis is given to an individualized educational program in small, ungraded, success-oriented, vocational and academic classes during the regular school year and during the summer.

PROGRAM BENEFITS: Two hundred and twelve children were educated, evaluated, and treated. Of those, 18 earned high school diplomas or the equivalent thereof, and 11 received certification in vocational skills. The average overall growth in English was 16.3 percent, and was 6.3 percent in math. Fifty-six boys and 79 girls were evaluated by the Mountain View School during the 1979 fiscal year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Consideration should be given to the following additional education staff: instructor, 0.35 FTE to instruct manual training skills classes; instructor, 0.35 FTE to teach music classes.

Additional funds are needed to expand half-day summer school from eight weeks to ten weeks and to employ two additional 0.192 FTE summer school teachers.

With the rising costs of paper and books, an increase in the supply budget is greatly needed.

COMMUNITY SERVICES PROGRAM Disbursements: FY 78 \$12,091
FY 79 \$13,043

PROGRAM DESCRIPTION: The Mountain View School, in an attempt to provide the maximum in opportunity to regular commitments, utilizes services available in the community of Helena to supplement the on-campus program. Examples of these services include on-the-job training, CETA Youth Programs, CEP and vo-tech training, and Carroll College. A Big Sister and other volunteer programs from the community fall under this program. A program manager is assigned the responsibility of coordinating these services with the overall Mountain View School program.

PROGRAM BENEFITS: The exposure and training resulting from the Community Services Program does much to enhance student self-image as well as provide valuable work experience, allowing the student to more satisfactorily adjust to a non-institutional environment upon release. During Fiscal Year 1976, 26 students were involved in the off-campus work program, 10 students were assigned Big Sisters, and 25 students worked on campus under the Neighborhood Youth Corps Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the present program be continued at its present level. Not only must the best interests of the student involved be kept in mind in regard to individual needs, but security precautions must continue to receive high priority.

PINE HILLS SCHOOL

AGENCY DESCRIPTION:

The Pine Hills School provides residential services to the State of Montana for those youth between the ages of 10 and 21 years who have demonstrated a need for intensive correctional attention. As its intended purpose, the agency programs address statutory demands "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services."

In addition to the above, House Bill 798, Montana Session Laws 1974, Chapter 329, broadened the scope of the Pine Hills School's intended purpose by identifying the facility as one to serve as an evaluation center. The statute allows that "at any time after the youth has been taken into custody the court may, with the consent of the youth in the manner provided by law, for consent by a youth to waiver of his constitutional rights, or after the youth has been adjudicated a delinquent or in need of supervision, order the youth to be evaluated for a period not to exceed forty-five (45) days of evaluation at a reception and evaluation center for youths ..."

The Pine Hills School promotes the supposition that each referred student is an individual with unique, individual needs, which must be recognized and attended to. The primary mission is to address these needs in the most effective and expeditious manner in an effort to return the student to a non-institutional environment at the earliest appropriate time.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In an attempt to provide the State of Montana with an effective residential treatment program, recruitment of personnel is based totally on qualifications without regard to sex, marital status, age, physical handicap, race, creed, color, or national origin. Keeping in mind the need to provide a diversified staff body, all efforts are made by the agency to have a working affirmative action program for the recruitment of minorities and women.

In compliance with affirmative action guidelines, the director of the Administration Section has been identified as the agency EEO/Personnel Officer. All vacancies are recruited through the EEO/Personnel Officer to assure non-discrimination in recruitment.

PROGRAM INFORMATION: A change in administration in June, 1978, instituted a merging of agency programs and an agency organization modification. In that the transactions occurred near the middle of the biennium, notation of such action will be addressed in the Program Description section of the program being described.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$486,675
FY 79 \$560,862

PROGRAM DESCRIPTION: The Administration Program has as its primary function the monitoring of all activities that affect, or promulgate effect, on the overall fiscal state of the agency. A broadening of the scope of the identified department head of that section encompassing the Food Services Section, the Farm Section (phased out in FY 1979), Accounting Section, and EEO/Personnel Officer function has increased the efficiency and accountability of fiscal related activities. Emergency spending measures taken in FY 1978 realized a General Fund savings of \$7,539. EEO/Personnel Officer responsibilities and budgetary accounting needs continue to be emphasized as having high priority.

PROGRAM BENEFITS: The ability of the Administration Program to monitor and account for the responsibilities of its identified purpose has a major impact on the agency's primary mission through control and sagacious management of appropriations. Its skill in providing administrative direction to the total agency directly affects the overall efficiency of the Pine Hills School.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that major emphasis be placed on active energy conservation to help combat inflating energy costs and assist in the preservation of fossil fuels. An energy auditing program should be established to identify problem areas and develop responses to those areas.

A preventive maintenance program should be established in an attempt to reduce overall maintenance and repair costs. The revamping of existing procedures will allow the potential for accomplishment of this goal.

FTE needs should be assessed to determine the possibility of combining or eliminating functions, promulgating the possibility of overall agency savings.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$761,952
FY 79 \$914,682

PROGRAM DESCRIPTION: The Care and Custody Program's major function is to provide incarcerated students with supervision and direction in the least restrictive manner possible. Emphasis is placed on the provision of an environment that is meaningful and harmonious with residents' needs. Emphasis is placed on the necessity for a clean, healthy and safe living environment.

In an effort to address the identified program needs, federal funding was acquired to provide 24-hour a day lodge coverage, as well as provide each lodge unit with a recognized supervising cottage life attendant. This accomplishment has presented the potential for upgrading of lodge programs.

The Care and Custody Program must adhere to the constitutional guarantee to address each student's right to treatment, due process, and freedom from cruel and unusual punishment, as well as provide for a recognized grievance procedure.

The established relationship between size of an institution and the decrease in ability to treat has been recognized, and efforts have been made to reduce the total population through appropriate placements and discharges. The goal of not having in excess of 24 students in any lodge living unit has been established and efforts are being made to meet this efficiency quota. By the conclusion of FY 1979, the Pine Hills School population had been reduced by 25%.

PROGRAM BENEFITS: The interfacing of the Care and Custody Program with the overall agency treatment plan plays a major role in meeting the individual needs of each student at Pine Hills School. The sophistication of that program directly relates to the agency's overall effectiveness with its clientele as well as reduces the potential for institutional escapes and disturbances.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Recognizing the importance of the Care and Custody Program, the following recommendations are being made:

Emphasizing an on-going in-service training program for all Care and Custody employees.

Creating a meaningful staff orientation program.

Reducing the length of stay for students.

Establishing the effective capacity of Pine Hills School at one hundred students.

Increasing the FTE in the Recreation Section by one, providing three, rather than two, employees.

Constructing a centralized canteen facility.

DEVELOPMENTAL SERVICES PROGRAM Disbursements: FY 78 \$599,740
FY 79 \$589,315

PROGRAM DESCRIPTION: The Developmental Services Program consists of all agency activities whose impact is the result of professional intervention. Included in the Developmental Services Department are the Professional Counseling Section, the Education Section, and the Medical Section. The program, as its intended purpose, is to nurture and develop each individual student's strengths in those areas of recognized need. Each student is provided with an individualized program tailored to meet his particular needs. The Professional Counseling Section is responsible for the development of each student's individualized treatment program. Through individual and group counseling, consultation with agency support staff and continual involvement with post-institutional involved persons, each student receives continual centralized assessment.

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The vocational and academic education programs continue to provide a quality education program consistent with the guidelines set forth by the Office of the Superintendent of Public Instruction. The program is fully accredited, providing a curriculum of 12 academic programs and 5 areas of vocational instruction. The current school year consists of a regular 9-month school session and a short 10-week summer session. A special education program, funded under ESEA Title I, is an exemplary program, since approximately 70% of the students are 3.5 years behind their actual grade placement.

An infirmary operation has been established, allowing for quality medical attention. Twenty-four hour nursing coverage provides continual support in the medical area, in addition to contractual services provided by a local medical clinic.

PROGRAM BENEFITS: Developmental staff play a major role in diagnosing and attending to the needs of Pine Hills School students. The following performance indicators demonstrate the population movement data exemplifying program impact:

	<u>FY 1978</u>	<u>FY 1979</u>
Rated capacity of institution:	150	
Student on books, July 1		
a) In residence	112	124
b) On leave	2	6
c) Otherwise absent (AWA or hospital)	<u>10</u>	<u>3</u>
TOTAL	<u>124</u>	<u>133</u>

	<u>FY 1978</u>	<u>FY 1979</u>
Admissions:		
a) First admissions	119	83
b) Readmissions	4	0
c) Diagnostic evaluations	63	76
d) Returned from aftercare	39	61
e) Transfers	<u>1</u>	<u>9</u>
TOTAL	<u>226</u>	<u>229</u>

Separations:		
a) Released	118	172
b) Discharged directly from PHS	79	89
c) Transfers	20	14
d) By death	<u>0</u>	<u>0</u>
TOTAL	<u>217</u>	<u>275</u>

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Students on books, June 30

a) In residence	124	78
b) On leave	6	2
c) Otherwise absent (AWA or hospital) . .	<u>3</u>	<u>7</u>
 TOTAL	 <u>133</u>	 <u>87</u>

Average daily population (includes those on leave and in hospital)	129.8	107.6
Annual per capita cost	\$12,457	\$16,596
Daily per capita cost	\$ 34.13	\$ 45.47

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Efforts will be made to increase the effectiveness of the Professional Counseling Section through decentralization of counseling services, inclusion of group approach, expansion of the federally funded Family Involvement Program to include community forums as well as family contacts, developing more efficient initial institutional treatment plans, intensifying communication with pre- and post-institutional agencies, and upgrading skills of counselors through staff development programs.

Educational instruction program should separate academic from vocational programs in an effort to more appropriately emphasize distinction. A position of school counselor should be established to assist in the development of appropriate academic and vocational placement. The modification of the PHS Education Program will necessitate an assessment to determine that possibility of reduced FTE in that program to correlate with actual instruction needs. An arts and crafts instruction program should be developed to provide the overall curriculum with a greater variety.

The modified nursing position should be increased to a full FTE, allowing the agency to provide adequate coverage complying with recognized nursing standards in institutions. This would also allow the inclusion of a sex education program for students, and an on going first aid in-service training program for Pine Hills School staff.

COMMUNITY SERVICES PROGRAM	Disbursements: FY 78 \$18,157
	FY 79 \$17,795

PROGRAM DESCRIPTION: The Community Services Program concentrates on utilizing all available community services and activities to the ultimate in providing supplemental assistance to the overall treatment program. Included in this activity are volunteer services, community recreation activities, job placements, community service activities, cultural enrichment exposure, and community off-campus leaves. Agency information exposure to the local community is part of the function of the Community Service Program.

Through agency reorganization, the Community Services Program has been included in the Developmental Program. Rationale for this modification was based on two factors -- (1) accountability and coordination of efforts with

Clinical Services personnel was demanded and (2) administrative simplification results from the consolidation action. The inclusion of the Community Service Program into the Developmental Services Program does not reduce the recognized significance of its importance in any way.

PROGRAM BENEFITS: In an attempt to normalize the agency environment as much as possible, allowing institutional residents to be continually aware of outside influences, an emphasis is placed on community services activities.

The program further offers an opportunity to reduce the level of agency influence on eligible participants providing an additional step in graduation to levels of least restrictive environments. Opportunities result develop and assess student self control, as well as the chance to enhance job and work skills for PHS residents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A job description for the program manager as well as a well defined overall mission statement for the total program is needed. Any further FTE modification would be dependent upon future assessment.

FARM PROGRAM Disbursements: FY 78 \$138,953
FY 79 \$ 75,152

PROGRAM DESCRIPTION: The Pine Hills School Farm Program consisted of 400 acres of dry pasture and 116 acres of irrigated land. A dairy, beef, swine, and seasonal produce operation supplied the agency with most foodstuffs essential to the food service needs of the institution. The decision to eliminate the Farm Program was made in FY 1979. By May, 1979, the total Farm Program had been closed.

PROGRAM BENEFITS: The intended purpose of the Farm Program was to provide the Pine Hills School students with a meaningful work experience as well as supplying a major supplement of food supply to the institution. The decision to terminate the program was based on the following:

1. Personal services costs exceeded the realized produce and meat yields.
2. Cost of equipment repairs and replacement was extreme.
3. Major structural modifications were needed to meet recognized state and federal requirements.

MONTANA STATE PRISON

AGENCY DESCRIPTION:

State law provides "The Institution at Deer Lodge is the 'State Prison' and as its primary function provides facilities for the custody, treatment, training and rehabilitation of adult criminal offenders."

The Prison, through admission summary, counselling, education, recreation, job assignment, medical services, religion, and therapeutic counselling, helps to return the convicted felon to society as an asset to society.

The Prison must properly feed, house, clothe, and supervise the work performance of the convicted felons.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana State Prison complies with the guidelines of EEOC, AAP and the Human Rights Commission. The institution agrees to comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-3520 and all requirements of the Department of Justice (28 CFR Part 42) issued to that title. This agency is committed to insure equal opportunity in an affirmative action manner in accordance with the Constitution of the State of Montana (Article II, Section 3 and 4), (Article X, Section 7), the Human Rights Act of 1974 and the Montana Code of Fair Practices Act 1975 as outlined in the Gubernatorial Executive Order 8-73. Inmates and staff have the right to be free from discrimination because of race, creed, religion, color, sex, physical or mental handicap, age or national origin.

ADMINISTRATIVE SERVICES PROGRAM Disbursements: FY 78 \$1,444,467
FY 79 \$1,669,498

PROGRAM DESCRIPTION: Administrative Services exists to implement the overall policies and procedures of Montana State Prison by evaluating and coordinating all programs, maintaining accurate fiscal records and properly utilizing the staff. Administrative Services is comprised of the Administrative Staff, Accounting Department, Warehouse, General Services and Vehicle Repair.

PROGRAM BENEFITS: The general public has been kept informed of events concerning the prison through the use of the local media. Little by little, as Montana State Prison upgrades its staff, more positive attitudes are created throughout the community.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Upgrade and consolidate warehouse functions to that of a centralized system. Implement a computerized inventory system for both consumable items and fixed assets.

Increase the preventive maintenance program to keep the institution appearing new and functioning like new for as long as possible.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$3,483,198
FY 79 \$3,598,277

PROGRAM DESCRIPTION: Care and Custody exists to provide society the protection it deserves from the convicted felons by implementing the desires of the judicial system of the State of Montana. Proper records concerning each inmate are maintained for review by the judicial system.

PROGRAM BENEFITS: Society and the general inmate population live in safety as a result of the efforts of those individuals employed in the Care and Custody Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide additional transportation vehicles.

Replace current ambulance that is outdated and poorly equipped to handle medical emergencies.

As the population at Montana State Prison is steadily rising, other demands increase accordingly. Medical referrals to specialists in other cities than Deer Lodge have added the need for more and newer transportation vehicles. Also, in conjunction with the problem is the need to increase staff to accommodate medical treatment as well as maintaining security in doing so.

Through consideration given to the above recommendations, sincere attempts can be made to greatly reduce overtime expenditures, and staff training can be increased to better inform new officers of their duties and responsibilities to themselves, the inmate population, and society.

DEVELOPMENTAL SERVICES PROGRAM Disbursements: FY 78 \$1,020,669
FY 79 \$1,009,820

PROGRAM DESCRIPTION: The Developmental Services Program exists to assist the inmate to help himself and his dependents during incarceration to enable him to return to society as a contributing member. The following programs are available to assist the inmate in achieving his desired goals: Adult Basic Education, High School Diploma Program, High School Equivalency Program (G.E.D.), University of Montana extension courses, numerous correspondence courses from throughout the county, vocational training in culinary arts, auto mechanics and farm equipment repair, meat cutting and processing, electronics, welding, baking, on-the-job training in electronics, welding, boilermaking, wood refinishing, upholstery, plumbing, motor rewinding, training to become an electrician machinist or a stationary engineer, recreation and hobbies, religious programs, music education, self-help groups, vocational rehabilitation counseling, library services, social services, clinical services, work study and treatment releases, alcohol and drug programs, individual and group counseling, and pre-release programs.

PROGRAM BENEFITS: Society benefits from this program when an inmate actively participates in to a plan which affords him an opportunity to contribute and use his learned skills when he is released.

The judicial system has increased its use of the Diagnostic and Evaluation Program which is under the auspices of the Clinical Services Department. Here an inmate is received for a 45-day evaluation, after guilt is found by the courts and prior to sentencing. Recommendations for sentencing, whether it be for a deferred sentence, suspended sentence, school and/or vocational training, drug and/or alcohol programs, psychiatric and/or psychological counseling, family counseling, or to a prison term, are forwarded to the judge. This program affords the courts the opportunity to examine the individual case and to receive recommendations which include alternatives to incarceration.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase the personnel involved in psychological and psychiatric counseling to provide inmates the opportunity to involve themselves, which may assist them in staying out of involvement with the criminal justice system; and to further assist the courts in determining the disposition of those facing possible incarceration.

DEPARTMENT OF INSTITUTIONS

Expand the Education Program to allow the inmate to become functionally literate in today's society.

Expand the Recreation Program to allow all inmates the opportunity to involve themselves in physical fitness programs.

Increase the social services staff to maintain an inmate-counselor ratio of at least 100 to 1.

RANCH AND DAIRY PROGRAM Disbursements: FY 78 \$ 917,807
FY 79 \$1,015,512

PROGRAM DESCRIPTION: The Ranch and Dairy Program exists to provide beef, pork, and dairy products to state institutions and other state agencies at a cost below market price. The ranch and dairy also exist to provide work areas for the inmate population.

PROGRAM BENEFITS: Beef, pork and dairy products were supplied to institutions and state agencies throughout the state at prices lower than on the open market. This provides a tax savings to the taxpayers of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implement a cost accounting system which will provide an accurate price for all items produced on this ranch.

LICENSE PLATE FACTORY Disbursements: FY 78 \$328,117
FY 79 \$382,845

PROGRAM DESCRIPTION: The License Plate Factory exists to produce license plates for the citizens of the State of Montana.

PROGEAM BENEFITS: The citizens of Montana are able to receive license plates from the county in which they live.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

PRISON INDUSTRIES PROGRAM Disbursements: FY 78 N/A
FY 79 \$25,918

PROGRAM DESCRIPTION: Prison Industries exists to provide work for the inmate population in the areas of furniture manufacture, furniture refinishing, upholstery and mattress making.

PROGRAM BENEFITS: Institutions and state agencies receive goods and services at a cost much lower than can be obtained on the open market. The taxpayers of Montana receive a savings, the institutions receive a quality product and the inmates receive a salable skill to be used upon release.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand the Industries Program to areas such as street sign manufacture and printing so that it may become totally self-supporting.

Expand the Industries Program to become the largest employer of inmate labor within the institution.

SWAN RIVER YOUTH FOREST CAMP

AGENCY DESCRIPTION:

The Swan River Youth Forest Camp is responsible for developing and maintaining a rehabilitation-oriented program for youthful offenders ages 16 through 26 committed to its care and custody. Towards this purpose, the Youth Camp works cooperatively with the Division of Forestry, Department of Natural Resources. The program for these youth includes fair and humane treatment in a minimally restrictive setting. The Youth Camp provides professional recognition of individual differences, educational opportunities, psychological services, living skills, and realistic planning for each youth's return to the community.

The Swan River Youth Forest Camp was created by legislative action during the Thirty-ninth Legislative Assembly and is included in Title 80, Chapter 14 - State Department of Institutions.

80-1403	Institutions in the Department
80-1410	Establishment of Juvenile Correction Facility
80-1411	Control and Management of Juvenile Correction Centers
80-1412	Youth Forest Camp - Work Program State Forester
80-2210	Commutation of Sentence of Person under 21 and transfer to Youth Camp of person under 25 from Montana State Prison
10-611	Direct Commitment of Youth Camp
10-612	Commitment procedure

The Swan River Youth Forest Camp is also included in the Montana Youth Act and the new Montana Criminal Code.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Youth Camp has initiated the following practices in hiring new employees:

- a. The agency advertises position openings and descriptions throughout the Department of Institutions and with the Montana Employment Security Division.
- b. An Affirmative Action Committee interviews and recommends the best-qualified applicants for hiring regardless of race, creed, sex, or physical disability.
- c. The agency actively seeks applications from all minorities.

ADMINISTRATION PROGRAM	Disbursements: FY 78 \$104,968 FY 79 \$109,235
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PROGRAM DESCRIPTION: All services that relate to the general administration of the Youth Camp or cannot be specifically identified in other service areas are included within this program. The major services of this program are overall management of the Youth Camp, fiscal control and accountability, record keeping, and maintenance of plant and facilities.

DEPARTMENT OF INSTITUTIONS

PROGRAM BENEFITS: The Administration Program provides management leadership for effective and efficient operation of the Youth Camp, develops and disseminates information needed for the operation of the Youth Camp, assures that staff have the minimal necessary skills and training to achieve the goals of the Youth Camp, provides fiscal management with a minimum of audit exceptions, evaluates cost and effectiveness of program operation, and carries out a preventive maintenance program to protect the state's capital investment.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: All capital equipment and fixed assets should be recorded on the property accountability management system within SBAS.

CARE AND CUSTODY PROGRAM Disbursements: FY 78 \$367,407
FY 79 \$428,789

PROGRAM DESCRIPTION: This program provides all services for housing, feeding, clothing, and general welfare of residents. Security and safety to residents and the general public are maintained within this program.

PROGRAM BENEFITS: Approximately 136 youthful offenders committed to the Youth Camp during the biennium received fair and humane treatment. The basic medical needs of each resident were met. Supervisory control of residents on a 24-hour a day basis was provided. Clean, sanitary food service and living areas for residents were maintained.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A real need exists for additional storage space. Present facilities for providing storage and security for residents' personal belongings are inadequate.

Preventive health care of residents should be initiated. Presently only basic and emergency medical treatment is provided.

A recreation program aimed at teaching residents socially acceptable recreational activities should be initiated. The inability of youths committed to the Youth Camp to cope with leisure time has been a contributing factor to their incarceration.

DEVELOPMENTAL SERVICES PROGRAM Disbursements: FY 78 \$73,397
FY 79 \$74,933

PROGRAM DESCRIPTION: This program provides a range of services, including diagnostic counseling and education and training opportunities, to each resident.

PROGRAM BENEFITS: All residents paroled from the Youth Camp received professional assistance in formulating release plans. Each resident received the opportunity to receive appropriate guidance and counseling. Each resident had the opportunity to sample work experience in forestry, carpentry, mechanics, laundry, food service, and janitorial. Each resident was provided the opportunity to learn basic work habits, work attitudes and safety practices. Each resident was provided the opportunity to correct educational deficiencies. Forty-five residents achieved a high school equivalency diploma, nineteen received driver's licenses, and seventy-five enrolled in the school program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Youth Camp has been able to motivate residents towards self-improvement through the school program. However, in order to accommodate all those residents who may desire self-improvement, more space for the school program is needed. The training program could be expanded to better prepare residents for jobs upon release. The work training program could offer a more comprehensive vocational training in the areas of engine repair, carpentry, food service, and forestry technician work.

To better determine a resident's vocational interests and occupation skills, and in order to enhance parole success, a pre-vocational training program should be initiated.

MONTANA VETERANS' HOME

AGENCY DESCRIPTION:

Montana Veterans' Home provides a home for qualified veterans, both male and female, and in some instances, wives and/or widows of eligible veterans.

In addition to the Domiciliary there is an extended care facility for those requiring nursing care and who are unable to function under self care.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Members are accepted regardless of race, color, creed, or national origin. Activities are provided for all residents and are not directed to any single group or interest.

All hiring is being handled through the Job Service in Kalispell, Montana. CETA/PSE employees are hired through the Training Center.

ADMINISTRATION PROGRAM	Disbursements:	FY 78 \$72,277
		FY 79 \$84,432

PROGRAM DESCRIPTION: The Administration Program maintains records as required by law, and provides overall supervision of the entire facility.

PROGRAM BENEFITS: The maximum level of care has been achieved at one of the lowest per diem cost of state veterans' homes in the nation. The Veterans' Administration pays \$5.50 per day for each eligible Domiciliary veteran, and \$10.50 per day for each eligible Nursing Home veteran.

Per Diem	
<u>1978</u>	<u>1979</u>
\$12.55	\$13.57 Domiciliary
\$21.96	\$25.61 Nursing Home

The average raw food cost for June, 1979 was \$.5564 per meal, which includes an estimated cost of foods raised at the Home.

In-service training for employees is being instituted with the assistance of the Department of Institutions.

A new 10" well was drilled to the depth of 270' and tested out at one thousand gallons per minute.

Money was appropriated for a new 6" water system, and construction should be started soon.

Capital construction money was appropriated for a new roof on the service building, and the repair of the roof on the men's dormitory.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The service building, cottage and annex should be re-wired, as the existing wire is rapidly deteriorating.

Much of the hot water and steam lines presently have deteriorating insulation, and a program of re-insulating all steam and hot water lines should be included in future capital repairs.

CARE AND CUSTODY PROGRAM	Disbursements: FY 78 \$662,750
	FY 79 \$704,476

PROGRAM DESCRIPTION: The Care and Custody Program is primarily concerned with the basic care, hygiene and general well being of the residents and patients, with the fewest restrictions possible, while maintaining a homelike atmosphere.

PROGRAM BENEFITS:

	<u>1978</u>	<u>1979</u>
Domiciliary care furnished (patient days):	34,198	33,276
Nursing Home skilled and intermediate care furnished (patient days):	14,140	13,979

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Previously recommended was increasing the capacity of the Nursing Home from 40 to 80 beds, as many needy veterans are placed on a waiting list because of bed limitations. The need becomes greater each year for nursing care space as the average age of the World War I veteran is 83 years and the average age of World War II veteran is 62 years. This proposed construction and furnishing will be funded 65% from the Veterans' Administration and 35% from the state.

Although requested, this recommendation was not included in the building program last legislature, and should be requested now for consideration by the 1981 Legislature. If requested now, the possibility of 65% matching funds being appropriated by the Veterans' Administration will be included by the VA in their budget for 1981.

Because of the congested parking area, it is requested that this be enlarged to accommodate the traffic.

DEVELOPMENTAL PROGRAM	Disbursements:	FY 78 \$ 1,555
		FY 79 \$25,338

PROGRAM DESCRIPTION: The Developmental Program of Physical Therapy is responsible for rehabilitating and maintaining the mobility of Nursing Home patients and Domiciliary residents as prescribed by the Home Physician.

FARM PROGRAM	Disbursements:	FY 78 \$3,221
		FY 79 \$2,841

PROGRAM DESCRIPTION: The Farm Program and Revolving Farm account was established to provide an enterprise method of accounting for the farm program which exists to reduce overall costs of home operations.

PROGRAM BENEFITS: Operation of the program reduces overall food costs of the home operation by raising garden vegetables such as potatoes, spinach, corn, carrots, onions, cabbage, rutabagas, beets, string beans, radishes, squash and peas. Whenever possible, potatoes are sold at a reduced cost to other institutions.

Volunteers from the community, along with residents of the Home and off-duty employees, assisted in the preparation and preservation of cherries and other fruit and vegetables.

All flowers and many of the vegetables were started in the greenhouse, thus saving several hundred dollars.

Helping with the program were youth employees hired by the Summer Program for Economically Disadvantaged Youth.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue usage of seasonal employees to assist with harvest and preparation of garden products.

WARM SPRINGS STATE HOSPITAL

AGENCY DESCRIPTION:

The primary functions of Warm Springs State Hospital are the care and treatment of mentally ill persons. The hospital has performed these functions since 1912 when the institutional facilities were purchased by the State of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During this biennium, Warm Springs State Hospital reaffirmed its commitment to the policy of providing equal employment opportunity to all its employees and applicants for employment regardless of race, color, creed, national origin, sex, age, physical and/or mental handicap. Warm Springs State Hospital will strive to eliminate any traces of discrimination and will increase the utilization of minorities and women wherever these deficiencies exist and availability permits.

Admissions to Warm Springs State Hospital shall occur without distinction made in regard to race, color, sex, creed, culture, national origin, social origin, social condition, political affiliation, or religion.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$1,052,151
FY 79 \$4,592,417

PROGRAM DESCRIPTION: This program encompassed the following bureaus until nearing the end of FY 78: Fiscal, Personnel, Operations and Support, and Medical Records. Effective May, 1978, the clinical departments of X-ray, Laboratory, and Pharmacy were transferred to this program in keeping with modern hospital management practices and to provide improved reporting machanisms for those units with high operating costs.

Key functions of this program are:

1. To ensure efficient and effective hospital operation.
2. To facilitate appropriate use of fiscal, personnel, and physical plant resources.
3. To supply diagnostic and medical support.
4. To develop, maintain, and preserve documents recording the events of patient care and treatment.

PROGRAM BENEFITS: Specific benefits to the general public result from improved accountability and fiscal management, reduction of duplication of services and supplies, and provision of a hospital environment that is more conducive to the safety, comfort, and rehabilitation of the patient.

Fiscal Bureau

1. Supplies purchased on a timely basis.
2. Inventory control of all items.
3. Reversion requirements of HB 145 met.

Personnel Bureau

1. Consolidation of recruitment, hiring, record keeping.
2. Operation under the Affirmative Action Plan and as an equal opportunity employer.
3. Adherence to the concept of position control.
4. Effective management of union labor contracts.
5. Recruitment of additional professional positions.
6. Increased physician's salaries through development of a new compensation plan.

Operations and Support Bureau

Maintenance

1. Demolition of six unsafe patient residence buildings, followed by landscaping of these areas.
2. Installation of new water main and fire plug in southern part of campus.
3. Fire protection installations and hand railing installed in three patient-occupied buildings.
4. Installation of signs for the blind in four patient-occupied buildings.
5. Renovation of laundry.
6. Erection of patio fence at Geriatric Unit.
7. Refurbishment of Unit 85/86 to accommodate forensic patients from Mussigbrod Building.
8. Installation of security screens and locks on Children's Unit.
9. Employees' dining room remodeled to house Central Occupational Therapy and Beauty Shop.
10. General maintenance of campus.

Housekeeping

1. Provision of linen for Galen State Hospital.
2. Maintenance of clean, safe, comfortable environment for patients.
3. In-service education offered monthly to all employees.

Food Service

1. Revision of food ordering system, inventory system, food preparation, serving, and storage procedures.
2. Reorganization of food service through elimination of the diet kitchen and employees' dining room; both patients and employees are now served meals at the Central Food Center.
3. Coordination of menu planning and other dietary services with Galen State Hospital through the assignment of the dietician at W.S.S.H for up to eight hours per month at G.S.H.
4. Initiation of in-service education for all employees.

Laundry

1. Processing of all laundry (1,000 pounds per day) for Galen State Hospital.
2. Use of five new washing machines which are more economical in the use of soap and other supplies.
3. Use of new carts for handling laundry in larger amounts and providing cleaner delivery to the units.
4. Installation of safety devices on all new machines.
5. Daily pickup of soiled laundry.

Automotive Services

1. Provision of transportation of patients, to ensure arrival of all patients for meal and on-ground appointments (i.e. X-ray, laboratory, dentist, medical clinics, beauty shop).
2. Provision of transportation of patients for medical care and consultation services at Galen State Hospital or local communities.
3. When necessary, transporting patients during admission or discharge.
4. Transporting patients to community programs and recreational activities which assist in adjustment to community life and facilitate deinstitutionalization.
5. Provision of delivery services necessary to the efficient operation of the hospital.
6. Assistance in maintenance of hospital grounds.
7. Coordination of services with Galen State Hospital through repair of their equipment when necessary and provision of unleaded gasoline for their vehicles.

Pharmacy Bureau

1. As a government operation, drugs can be obtained at a considerable savings to the State of Montana.

X-ray, Medical Laboratory Bureau

1. Consolidation of some services with Galen State Hospital (i.e. emergency call is provided by G.S.H., G.S.H. autoanalyzer is utilized for blood studies in both institutions, W.S.S.H. completes serology tests for G.S.H. patients and employees, equipment has been transferred from one institution to another).
2. All equipment is in excellent condition and is owned by the State of Montana.

Medical Records Bureau

1. Improved medical/psychiatric patients' records to achieve compliance with federal/state regulations, as well as for referral to mental health professionals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Fiscal Bureau

Improved communication regarding budgetary items between Helena and Warm Springs State Hospital.

Personnel Bureau

Establishment of program increasing direct communication between employees and management.

Expansion of "Troubled Employee Program."

Laundry

Require larger pump to accommodate draining system.

Automotive Services

Require addition of 2.00 FTEs in order to continue transportation services to patients while restoring adequate maintenance service to the grounds (i.e. grading streets, hauling gravel, operation of backhoe).

Pharmacy Bureau

Expand drug information program.

Initiate patient drug histories.

Improve inventory control through implementation of drug formulary, negotiation of contracts with manufacturers offering one-source items, and careful adherence to quarterly ordering schedules.

Medical Records Bureau

Implement guidelines for timely completion of documentation in the medical/psychiatric record.

TREATMENT SERVICES PROGRAM Disbursements: FY 78 \$9,610,411
FY 79 \$6,053,031

PROGRAM DESCRIPTION: The Treatment Services Program provides psychiatric care and treatment to the patient allowing his/her placement according to identified needs and progressive movement through various treatment programs: crisis intervention, evaluation, assessment of treatment needs, intensive treatment, extended care and treatment, and preparation for discharge.

Certain coordinative functions are performed by the Restorative Services and Staffing Services sections. However, the major goals of Treatment Services are accomplished through the Speciality and General Psychiatric Treatment Units, under the management of Treatment Unit supervisors and the multi-disciplinary team concept.

Effective May, 1978, this program encompassed the three specialty units - Geriatrics, Children and Adolescent, Forensic - and four general psychiatric units - Intake, Intensive Treatment, Extended Treatment, and Pre-Release. Also, at that time: (a) centralized clinical departments were dismantled to render the administrative and managerial aspects of the organization compatible with a unitized treatment system, narrowing spans of control and overlapping areas of responsibility; (b) the Medical Unit was closed, with transfer of acute medical inpatients to Galen State Hospital when necessary. The programs previously used for budgetary purposes - Care and Custody, Developmental Services, and Community-Related Services - are now incorporated into Treatment Services.

PROGRAM BENEFITS: Specific benefits to the general population of Montana are demonstrated in a variety of ways:

1. Provides an avenue of entrance to the institutional setting for those people who are too disturbed to have their needs met by the staff of community mental health centers or by private practitioners, thus alleviating the pressure on these agencies so they may deal more adequately with the community population.
2. Increases the probability of screening out inappropriate admissions.
3. Serves as a resource center by providing consistent physical and psychiatric examinations and evaluation to courts and other referral sources.
4. Provides delivery of quality psychiatric services which are geared to reducing the amount of time patients need to be hospitalized and reducing the number of patients who need to return to the hospital.
5. Provides for implementation of an improved, individualized treatment program for every patient.
6. Prepares patients in community living skills and medication understanding, which assists patients in successful return to the community.
7. Assists the patient in developing realistic discharge plans.
8. Continues transfer of patients to Lewistown Center for the Aged, Boulder River School and Hospital, Galen State Hospital, and to other more appropriate or less restrictive settings.
9. Promotes improved communication, cooperation, and coordination of services with community agencies.

Intake Unit

Allows staff on the specific units more time to provide direct treatment to patients, which ultimately shortens the length of stay and saves money.

Extended Treatment Unit

Discharged 109 patients to less restrictive settings during FY 79.

Pre-Release Unit

During FY 1979, approximately 85 patients completed the Pre-Release Program and have been placed in group homes, transition homes, or independent living situations in the community.

Children and Adolescent Unit

Provides segregation of children from the adult population.

Coordinates services for family members of children admitted to the unit.

Plans an important part in delineating the extent of the problems of the seriously mentally ill child in Montana.

Provides impetus for increased interest in community-based programming for children with emotional and mental disturbances.

Serves as an advocate for seriously mentally ill children in relation to community agencies.

Forensic Unit

Provides psychiatric evaluation of criminal defendants and expert testimony as to their competency to stand trial and their degree of criminal responsibility in all pre-trial criminal court order admissions. (Total number of patients evaluated in FY 1979 was 61. Average length of stay for these individuals was 26 days.)

Dental Services

Upon discharge of the patient, the public receives a more aware and educated person concerning his oral hygiene and appearance due to implementation of:

1. Admission dental screening and treatment.
2. Continuous follow-up examination and treatment.
3. Preventive dental program.

Provides complete dental services, annual examinations, and care for dental emergencies for the patients at Galen State Hospital.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Obtain adequate funding to ensure consistent staffing patterns which are adequate enough to provide a wide variety of therapeutic and educational programs as mandated by federal/state regulations and Montana commitment laws.

Establish a crisis intervention team (12.00 FTEs) which is not influenced by direct care nursing staff formulae.

Improve documentation in the medical records to provide more relevant and useful information.

Develop agreements between W.S.S.H. and community mental health centers.

Intake Unit

Publication of a booklet which describes the function and purpose of the unit, to be made available to all mental health professionals in Montana.

Improved utilization of the MSW Psychiatric Social Worker III position to interpret state and federal laws and serve as a liaison with county attorneys and private lawyers concerned with commitment proceedings.

Development of an automated system to aid in diagnostic and clinical evaluation which would reduce staff time necessary to score and interpret testing and provide more concise and consistent interpretation of testing.

Intensive Treatment Unit

Review direct care nursing staff formulae as the composition of the patient population changes in order to continually maintain quality treatment and eliminate situations which are dangerous to staff and patients.

Children and Adolescent Unit

Control admissions to the unit to allow a census of no more than 30 patients, since staffing patterns were developed for that number.

Provide adequate education, transferability of credits, and core curriculum for each child.

Forensic Unit

Obtain additional social worker to expedite treatment programs, avoid delay in evaluations, and improve opportunities for family and community contacts.

Obtain additional registered nurses (one for afternoon shift and one for night shift) to provide more effective supervision and continuity of care.

Expedite court-ordered evaluations and examinations and reduce cost by requiring appointments be made prior to transporting patients to this facility.

Dental Services

Fund the dental hygienist position three days per week to increase the effectiveness of the oral hygiene care program and to expand the continuing education program.

QUALITY ASSURANCE PROGRAM Disbursements: FY 78 \$ 0
FY 79 \$219,683

PROGRAM DESCRIPTION: Effective May, 1978, a new organizational branch was created called Quality Assurance. Quality Assurance is composed of a multi-disciplinary team representing psychology, nursing, social service, and rehabilitation therapies; this provides Warm Springs State Hospital with program evaluation, technical assistance, in-service education, policy/procedure development and review, and nursing coordination.

Overall goals of this program are:

1. To initiate continuous monitoring and assessment of treatment services and professional practice.
2. To provide guidelines for effective care and treatment consistent with policies, legal requirements, regulations, and standards of practice.
3. To provide overall direction and evaluation of specific clinical programs and staff.
4. To coordinate programs and activities of clinical staff and direct care nursing staff in order to maintain safe, efficient, and effective care and treatment.
5. To promote the development, review, and revision of policies and procedures.
6. To implement a process of multi-disciplinary staff development and in-service education which will strengthen care and treatment programs.

PROGRAM BENEFITS: Specific benefits to the general public are demonstrated by the fact that most activities of this program are required by regulations of Medicare/Medicaid, National Institute of Mental Health, Joint Commission on Accreditation of Psychiatric Hospitals, by Montana commitment laws, by standards governing clinical practice, or by recommendations of governmental agencies and contractual agreements. Through continued efforts towards compliance, the State of Montana is assured of quality services for the mentally ill requiring institutionalized care and treatment.

1. Implementation of recommendations of the Mental Health Advisory Council, the Mental Disabilities Board of Visitors, the Montana Comprehensive Mental Health Plan, and the Deinstitutionalization Study have included:

- a. Development and distribution of Warm Springs State Hospital admission and discharge policies.
 - b. On-going review of W.S.S.H. patient population and admissions, with quarterly reporting to the Department of Institutions and Community Mental Health Centers.
 - c. Evaluation of readmissions to W.S.S.H., with quarterly reporting to the Department of Institutions.
 - d. Improvement of communications and continuity of care between Warm Springs State Hospital, community mental health centers and other community agencies.
 - e. Implementation of peer review and quality assurance of professional care and treatment.
2. Direct care nursing staff formulae have been established and implemented, with bimonthly analysis to provide a level of staff consistent with patient census and treatment needs.
 3. Implementation of Patient Classification System has provided a means of determining required clinical, professional positions based upon treatment needs of patients.
 4. Evaluation of treatment programs through Quality Assurance provides a service to the hospital and state by a group outside the direct line authority of those managers responsible for treatment, yet by in-house staff who can remain on the scene to carry out continuous monitoring and follow-up. This activity ensures:
 - a. Individualized treatment programming for each patient.
 - b. Protection of patient rights.
 - c. Continued improvement in documentation within the medical record.
 - d. Appropriateness of medical and psychiatric treatment, in coordination with executive committee and medical staff.
 - e. Adherence to sound, professional standards of practice.
 5. All hospital personnel have been provided with the opportunity to participate in a continuing staff development and in-service education program.
 6. Practicum programs and other educational programs have been achieved through cooperative planning with educational institutions in Montana.
 7. Tours and educational programs are offered to mental health organizations, community agencies, and other interested groups throughout Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue exploring ways and means to improve care and treatment services to seriously mentally ill patients.

In coordination with staff on the Pre-Release Unit, establish a study of discharges and an intervention program aimed at prevention of inappropriate readmissions.

Develop more comprehensive staff development programs, which would require additional funding allocated to this program to bring educational programs and consultants to the hospital.

AGENCY DESCRIPTION:

Under the direction of the Attorney General, the Department of Justice provides the state level leadership and coordination necessary for effective law enforcement and public safety. Statutory authority for the Department is found in Section 2-15-201, MCA. The goals of the Department of Justice are to provide the best possible representation for the public in civil and criminal matters and the best in legal services for state, county and municipal agencies and their officials. It is a goal to enforce Montana traffic laws and to register all motor vehicles in the most effective and efficient manner possible. Additional goals include providing high quality educational programs for agencies in order to bring offenders of Montana law to justice as quickly as possible, and to enforce the fire safety codes and regulations of the state.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department of Justice is continuing to take steps to implement affirmative action procedures to eliminate discrimination in all aspects of employment and promotion practices. The designation in FY 1977 of an equal employment opportunity officer has insured that affirmative action guidelines are adhered to and that employees and prospective employees can file discrimination complaints and be assured that an investigation will follow. The Department has also established a personnel section within the Central Services Division that will be involved in hiring, training, educating and evaluating prospective and current employees of the Department.

LEGAL SERVICES PROGRAM Disbursements: FY 78 \$353,618
FY 79 \$383,706

PROGRAM DESCRIPTION: The Legal Services Program is responsible for providing the Attorney General with legal research and analysis and providing legal counsel for officials and agencies of state government; representing Montana's interests in cases before state and federal courts to interpret laws; and examining the sufficiency of local bond issues.

PROGRAM BENEFITS: The state and its citizens benefit from the advice and representation by the Legal Services Program in terms of efficient and reasonable cost execution of legislative mandates. Prevention and timely resolution of potentially costly litigation is of incalculable benefit to the state. This program provides similar advice and guidance to local governments with corresponding benefits to the communities of Montana.

Formal and informal opinions of the Attorney General are also a function of the Legal Services Program and provide guidance to state and local agencies and often preclude costly litigation.

Perhaps most significantly, the Legal Services Program represents the state as criminal prosecutor at the appellate and post-conviction level in state and federal courts of appeal.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Legal Services Program recommends an effort to shift the emphasis of legal services provided all state departments from that of hiring outside counsel to the use of full-

time career attorneys for reasons of accountability, lower overall cost, and management control of the delivery of legal services to state agencies. The Legal Services Program, in cooperation with the Governor's Legal Services Review Board, will establish a "pool" of state attorneys available as a resource when needed by other agencies. This "Agency Legal Services Program" will operate in the Legal Services Program of the Department of Justice and provide direct legal assistance as a supplement and backup for agency staff counsel for a reasonable hourly rate for attorney time provided. This backup system should pay its costs by equitably prorating them to user agencies from funds which had been previously paid to outside counsel.

ESCHEATED ESTATES PROGRAM Disbursements: FY 78 \$19,399
FY 79 \$21,449

PROGRAM DESCRIPTION: The Escheated Estates Program involves two areas of responsibility. First, the program must represent the state in legal matters involving money and other property which reverts to Montana in the absence of legal heirs (Section 72-14-103, MCA). Second, the program must enforce laws relating to the reporting and collection of unclaimed money and other obligations owing to persons who cannot be located (Section 70-9-105, MCA).

PROGRAM BENEFITS: In matters of escheat, the major benefit of the program is the generation of revenue which is then earmarked for application to the public school trust fund. This revenue far exceeds costs of administering the program. In unclaimed property matters, the major benefit of the program is in reuniting legal owners with money which is being held as an unpaid obligation by others. In instances where the legal owner cannot be immediately located, the holder of the money is required to remit it to the State of Montana and it becomes earmarked for application to the public school trust fund until the owner appears to claim it.

The Escheated Estates Program presently consists of the half-time services of an attorney with the Legal Services Program of the Department of Justice. The historical practice of contracting with outside counsel to execute this function was terminated by the Attorney General in FY 1978.

Results of a recently invigorated enforcement effort in the area of unclaimed property indicate widespread noncompliance with Montana statutes related to unclaimed property. The result is an injustice to owners of the property and loss of revenue to the public school fund.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the Governor direct the Department of Revenue to provide active investigative assistance to this program so as to maximize the effectiveness of the one-half attorney salary which is the sole funding for this program.

ANTITRUST ENFORCEMENT PROGRAM Disbursements: FY 78 \$ 8,510
FY 79 \$153,281

PROGRAM DESCRIPTION: The Antitrust Enforcement Program of the Department of Justice consists of two attorneys, one investigator and one executive

secretary. Its purpose is to encourage, foster and promote competition in the Montana market place so that business entities may be allowed to openly and fairly compete in the free enterprise system with one another to insure that the consumer is provided the best possible product or service at the most reasonable price.

The Antitrust Enforcement Program consists of the enforcement of the provisions of the Unfair Trade Practices and Consumer Protection Act - Chapter 14, Title 30, MCA, and Title 15 of the United States Code - by providing businesses and consumers with a full-time professional staff to hear their antitrust complaints, to investigate the facts, and to attempt to resolve the disputes, by litigation if necessary, so that business entities compete openly and fairly with one another to deliver the best possible product or service at the most reasonable price to the consumer.

PROGRAM BENEFITS: Cost savings benefits for businesses and consumers result from the enforcement of antitrust laws. While those costs savings are sometimes indirect and difficult to show, there is substantial evidence to provide that where antitrust laws are vigorously enforced, businesses (particularly small businesses) flourish and the consumer pays a relatively lower price for goods and services than in a location where competition has been controlled and monopolized. The state benefits directly in those antitrust cases where the state receives monetary awards from settlements or judgments from cases it has instituted on its own behalf for its citizens.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Specific provisions should be made to educate the public - business persons as well as consumers - concerning their rights and duties under the Unfair Trade Practices and Consumer Protection Act, the Sherman Act, the Clayton Act and related antitrust laws.

Additional staff including one attorney and two investigators should be added to the bureau to permit it to pursue additional problem areas that it is presently unable to pursue due to lack of personnel.

A new Montana Antitrust Act should be adopted by the legislature giving the program enforcement powers similar to those of other states.

COUNTY PROSECUTOR SERVICES PROGRAM Disbursements: FY 78 \$146,014
FY 79 \$230,121

PROGRAM DESCRIPTION: The County Prosecutor Services Program is actually carried out by the following three separate and distinct organizational entities (within the Department of Justice) which, because of their particular mission and functions, are extremely closely inter-related and inter-connected:

The Criminal Investigation Program is responsible for "assisting city, county, state and federal law enforcement agencies at their request by providing expert and immediate aid in investigation and solution of felonies committed" in Montana (MCA 44-2-115); and investigating "apparent violations of penal statutes disclosed by the audit of a state agency" conducted by the Legislative Auditor and reported by him to the Attorney General and the Governor (MCA, 5-13-304 (3)).

The County Prosecutor Services Program is responsible for assisting county attorneys, at their request, in the prosecution of major criminal cases throughout Montana; assisting with research, briefs and other technical services requested by county attorneys and law enforcement officials; developing and disseminating standards, procedures and policies which encourage the application of the criminal law uniformly throughout the state; providing continuing training for prosecuting attorneys; maintaining a legal brief bank for use by county attorneys throughout the state; and publishing the Montana Prosecutor in an effort to disseminate relevant current developments in the criminal law.

The Law Enforcement Services Program has the responsibility for the overall administration of seven programs, including the aforementioned Criminal Investigation Program and County Prosecutor Services Program, plus the Law Enforcement Academy Program, the Criminal Investigation Laboratory Program, the Fire Marshal Program, the Identification Program and the Law Enforcement Telecommunications System (L.E.T.S.) Program.

PROGRAM BENEFITS: Specific benefits to the general public resulting from the operation of the County Prosecutor Services Program (as carried out by these 3 organizational entities) are:

Criminal Investigation Program -- efficient/economical/professional investigation of serious crimes - e.g., homicides, narcotics, organized crime, corruption, misappropriation of state and county funds, fraud, official misconduct, etc.

County Prosecutor Services Program -- efficient/economical/professional prosecutorial assistance in serious criminal cases, as requested by county attorneys.

Law Enforcement Services Program -- efficient/economical/professional administration, coordination, supervision, management, and control of the County Prosecutor Services Program (Criminal Investigation and County Prosecutor Services Programs) and the five other law enforcement related programs (Law Enforcement Academy, Criminal Investigation Laboratory, Fire Marshal, Identification and L.E.T.S. Programs.)

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The recommendations for improving the County Prosecutor Services Program and the benefits to be derived from implementation thereof are:

Criminal Investigation Program -- increase staff by two investigators and one secretary; provide necessary vehicles and equipment; allocate sufficient funds for operating expenses, etc. Implementation thereof will enable the program to cope with tremendously increasing workload.

Law Enforcement Services Program -- no recommendations, aside from recommending implementation of suggested changes listed for the seven subordinate programs within the division.

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MOTOR VEHICLE ADMINISTRATION PROGRAM Disbursements: FY 78 \$33,776
FY 79 \$36,649

PROGRAM DESCRIPTION: The Motor Vehicle Administration Program is responsible for the general administration of traffic enforcement, driver licensing, and motor vehicle registration, as set forth in Title 44, Chapter 1 and the Motor Vehicle Code, Title 61, MCA. The program provides for policy and program approval insuring a comprehensive coordinated effort of motor vehicle programs.

PROGRAM BENEFITS: The program provides for improved coordination of motor vehicle programs, insured implementation of legislative programs, and administration of programs in accordance with division and Department policies. The program also coordinated all highway safety programs for the Department. Also during the biennium, system study and reorganization took place to make programs more efficient and to increase service to the public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Public information efforts should be increased to keep the public informed of legislative changes.

Efforts will have to be made to insure the traffic records systems meet the demands of growth and public service.

PATROL OPERATIONS PROGRAM Disbursements: FY 78 \$529,564
FY 79 \$523,221

PROGRAM DESCRIPTION: General administration of the Highway Patrol Bureau's finances, and logistics and supervision of the Patrol's personnel is the responsibility of the Patrol Operations Program.

PROGRAM BENEFITS: The program provides the directing, planning, and coordination of the Highway Patrol activities supporting its needs of providing services to the citizens of Montana.

During the biennium this program made specific studies and policy changes to increase efficiency and services to the motoring public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional staff is needed to meet the demands of the Patrol to respond to increasing traffic, registration and drivers.

Additional planning and management of vehicle fleet is needed to respond to the economics of the fuel situation.

In-service training must be increased to protect the state's liability and to respond to increasing public service demands.

Additional management information must be provided in a meaningful format to assist personnel.

DRIVER LICENSING PROGRAM Disbursements: FY 78 \$1,399,511
FY 79 \$1,571,864

PROGRAM DESCRIPTION: The Driver Licensing Program administers the driver licensing and control provisions of the Motor Vehicle Code. It is responsible for the licensing, records, and driver improvement actions and fostering driver safety by supervision of drivers permitted to operate motor vehicles on Montana roads.

PROGRAM BENEFITS: The program provides supervision and evaluation of all new and existing drivers within the state through examination and driver improvement programs. Driver information is provided to law enforcement units to assist with highway safety efforts.

During this biennium, a new driver improvement program was initiated to provide driver counseling to those who are identified as problem drivers. This protects the public interest, as well as assists drivers who potentially could cause traffic crashes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Further efforts must be made to take advantage of the data processing capability to automate driver improvement programs and to absorb growth in the driver services system.

In-service training must be provided to maintain a quality program after the switch to civilian examiners.

Programs must be constantly evaluated to meet the needs of local areas caused by economic conditions and population shifts.

FIELD SERVICES PROGRAM Disbursements: FY 78 \$4,730,863
FY 79 \$5,329,249

PROGRAM DESCRIPTION: This program provides for a network of law enforcement to meet the requirements of Title 44, Chapter 1, MCA. The program's organization of divisions assures the safe and efficient movement of traffic on Montana highways and response to public expectation and needs.

PROGRAM BENEFITS: The program provides for constant traffic patrol of the highways, accident investigations, emergency details, courtesy service, motor vehicle enforcement, livestock inspections and enforcement of commercial vehicle regulations and traffic laws.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional employees are needed to meet the demands of increased traffic accidents, volume, vehicles, and drivers of the state.

Additional in-service training is needed for patrol officers to meet demands.

Limited resources must be allocated to meet the new problem of energy conservation.

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REGISTRAR OF MOTOR VEHICLE PROGRAM Disbursements: FY 78 \$1,056,647
FY 79 \$1,409,079

PROGRAM DESCRIPTION: This program exists to implement provisions of the Motor Vehicle Code, Title 61, MCA, Chapter 3, 4, and 6, and miscellaneous registration as provided for in Title 23, Chapter 2. This program provides an accurate and timely system of motor vehicle registration, a certificate of ownership, lien filing, and licensing of automobile dealers.

PROGRAM BENEFITS: This program provides benefits to the motoring public by providing a system for transferring and protecting ownership of motor vehicles, identifying motor vehicles for law enforcement and for highway safety purposes, and by providing a method of financing a motor vehicle and protecting the interests of the owner.

Specific benefits during this biennium were uniform operating procedures and training for county personnel, resulting in increased public service; a newly designed communication system to provide more efficient response to public problems; changes were made in the registration system to increase efficiency and reduce cost; a system was designed and implemented for the three largest counties for registration and, as a result, more reliable and timely information and service is available; duplicate efforts have been decreased; and the state was able to absorb the annual growth rate in motor vehicle registration without increased cost.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implement a microfilm system which will expedite processing of title application and information response to the public and eventually reduce storage space needs.

Review and improve the present system of titling with the objective of reducing duplication, cost, time, and inconvenience to motor vehicle owners.

Take advantage of data processing capability to automate correspondence, accounting information, and dealer files.

Expand county on-line registration to seven counties, increasing the automated registration to 55 percent of the Montana vehicle population.

Provide an economical and cost effective system of reminders of registration to the motoring public.

CRIMINAL INVESTIGATION LABORATORY Disbursements: FY 78 \$264,243
FY 79 \$210,070

PROGRAM DESCRIPTION: The Criminal Investigation Laboratory Program is responsible for performing analyses of toxicologic and criminalistic specimens submitted by all Montana state, county or city law enforcement officers and all state agencies (Section 44-3-301, MCA). This involves analysis of physical evidence from criminal cases (drugs, homicides, assaults, rapes, arsons and other crimes) committed in this state. The laboratory also analyzes all blood/breath/urine samples taken by law enforcement officers in connection with Driving Under the Influence of Alcohol or Drug cases (Section 61-8-402, 61-8-405, and 44-3-301, MCA).

PROGRAM BENEFITS: The analyses performed by the laboratory and the expert testimony given in court by the lab's forensic scientists result in effective, economical/professional investigation and prosecution of criminal cases in all counties, thereby greatly improving the quality of life of the general public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand lab services to include ballistics and document examination and provide necessary additional staff/equipment/funding as recommended by Montana Board of Forensic Science in its 1977-78 report.

Implementation of this recommendation will enable the lab to operate as a full-service, basic crime lab, in support of the Division of Forensic Science (Medical Examiner System).

LAW ENFORCEMENT TELECOMMUNICATIONS

SYSTEM (L.E.T.S) PROGRAM Disbursements: FY 78 \$280,567
FY 79 \$321,577

PROGRAM DESCRIPTION: The L.E.T.S. Program is responsible for providing Montana law enforcement and criminal justice agencies with an integrated telecommunications network which interconnects information sources and law enforcement agencies nationwide, including the National Law Enforcement Teletype System (N.L.E.T.S.) and the National Crime Information Center (44-2-301 to 316, MCA).

PROGRAM BENEFITS: Law enforcement officers are public servants, and it is to the general public's benefit that they are provided with rapid communication between like agencies in their own state as well as law enforcement communities throughout the nation. Access to state and/or national computerized files expedites the receipt of pertinent information necessary to execute their mandated duties. Attempt-to-locate-for-emergency messages and road and weather information are also among the services provided the general public through the law enforcement telecommunications system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: During the past years, the use of computers in law enforcement telecommunications has greatly increased. This, in turn, has significantly increased not only the capability of the user, but also the complexity of obtaining the dispersing information through the system. Because of this, the State of Montana should require that all user agencies "certify" their terminal operators. The purpose of the certification requirement would be to create a new awareness of terminal capabilities in order to allow law enforcement agencies to obtain maximum use of the law enforcement telecommunications system. It would also minimize the rate of message errors, as well as possible misuse of the system.

An expansion of the system program that would provide the operators with the capabilities of displaying message formats and system operation procedures on a video screen could provide greater efficiency and speed, as well as a minimized error rate. In order for this end to be achieved, high-speed video terminals and printers would need to be installed in those agencies where low-speed terminals now exist.

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LAW ENFORCEMENT ACADEMY PROGRAM Disbursements: FY 78 \$282,101
FY 79 \$350,339

PROGRAM DESCRIPTION: The Law Enforcement Academy Program is responsible for providing Montana law enforcement officers with a means of securing additional professional education and training in criminal justice, as provided by Section 44-10-101 through 44-10-103, MCA.

The Law Enforcement Academy operates in a modular facility which consists of office buildings, two classrooms, and dormitory space for sixty-four officers.

The facility is located at the site of the Gallatin County Law and Justice Center, near the MSU campus. A variety of professional law enforcement and criminal justice schools are conducted throughout the year. These schools range in length from a minimum of two days to a maximum of six weeks. More 1,300 officers graduate each year. Schools are conducted in the regular program at the Academy, as well as throughout the state in the Regional Training Program.

PROGRAM BENEFITS: The greatest benefit to the people of Montana is a well-trained, efficient, and professional law enforcement service. Due to the increasingly complex and dynamic nature of the profession, demands for training are constantly growing. To better achieve the goals of the Academy, the program has been expanded to include all segments of the criminal justice field. In addition to law enforcement officers, professionals including juvenile justice, corrections, county attorneys, and judges will be able to receive specialized training at the Academy. Additional benefit is derived from the fact that the Academy is the centralized training facility in the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: In order to meet the ever-increasing complexities and the demands for training, efforts must be undertaken to ensure that the staff personnel necessary to the success of the program is provided. As noted above, measures have been taken during the biennium to provide training for the full range of the criminal justice field. Additional professional staff will be required.

The Law Enforcement Academy occupied its new facilities in November, 1978, and already has requests for schools which cannot be met by the presently allocated number of instructors. To prevent personnel turnover in the instructor staff from reaching unmanageable levels (and thereby greatly exacerbating instructor staff shortages), it is recommended that police instructor positions at the Law Enforcement Academy be audited by the Personnel Division (Department of Administration) to determine the advisability and need for upgrading these positions.

A major concern is the acquisition of training aids which are extremely important to the various classes which are offered, particularly in regard to training films. Due to budget cuts, the Academy will be unable to purchase films in the forthcoming biennium. Since Law Enforcement Academy films are offered on loan throughout the state and since major changes in techniques and other developments are now on the market, an adequate budget for films (new and replacement) and training aids must be provided.

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Due to increased impact in the area of firearms liability, the Academy must increase its efforts in firearms training. Major repairs and modifications to the Academy firearms range must be undertaken.

FIRE MARSHAL PROGRAM Disbursements: FY 78 \$186,911
FY 79 \$194,318

PROGRAM DESCRIPTION: The Fire Marshal Program is responsible for reducing the loss of life and property from fire, explosion and arson (Section 50-3-101 to 109, MCA).

PROGRAM BENEFITS: The Fire Marshal Program benefits local government jurisdictions and the citizens of Montana by arson investigation; fire cause determination; condemnation and removal of fire, life safety, and explosion hazards; and the inspection of public buildings. Through cooperation with local authorities, the Fire Marshal assures a reasonable degree of safety in public building use and occupancy and that fire and smoke alarm systems and fire protection systems meet recognized acceptable standards. The Fire Marshal also gathers, analyzes, and disseminates fire information data.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional Department of Justice data processing support for computer services involving the Fire Marshal's Fire Incident Reporting System is needed.

IDENTIFICATION PROGRAM Disbursements: FY 78 \$67,199
FY 79 \$66,342

PROGRAM DESCRIPTION: The Identification Program is responsible for collecting, processing, preserving, and disseminating accurate criminal history record information to law enforcement agencies (and the criminal justice system) throughout the state and nation.

This program also provides assistance to requesting Montana law enforcement agencies in the processing of evidence for latent fingerprints, in the comparison of latent prints to inked prints, and provides expert court testimony when required.

PROGRAM BENEFITS: Benefits to the general public resulting from the operation of the Identification Program are achieved through improved law enforcement services. The law enforcement community is assisted in the pursuit of its duties by the in-depth information provided them by the Identification Program. The identification of unidentified deceased persons and amnesia victims by fingerprints is another service provided.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase staff by one fingerprint technician and one clerk to enable the program to cope with its burgeoning workload.

DATA PROCESSING PROGRAM Disbursements: FY 78 \$347,584
FY 79 \$ 0

PROGRAM DESCRIPTION: The Data Processing Program is responsible for planning, directing, evaluating, and supporting all programs within the

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Department of Justice which rely on automated data processing and law enforcement telecommunications systems. The goal of the program is to provide the Department of Justice with economical and efficient data processing and telecommunication capabilities with which to serve the general public.

PROGRAM BENEFITS: Benefits include a decrease in the amount of taxpayers' dollars to process registration renewals for motor vehicles.

The program was discontinued in FY 1979.

CENTRAL SERVICES PROGRAM Disbursements: FY 78 \$217,270
FY 79 \$309,956

PROGRAM DESCRIPTION: Central Services provides the budgetary, accounting and fiscal support for the Department of Justice.

PROGRAM BENEFITS: There are no direct benefits to the public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Daily access to financial records and reports through direct computer access to SBAS is needed.

COUNTY ATTORNEY PAYROLL PROGRAM Disbursements: FY 78 \$422,219
FY 79 \$450,219

PROGRAM DESCRIPTION The County Attorney Program is responsible for the reimbursement of the state's one-half share of the county attorney payroll as directed in Section 7-4-2502 (2)(a), MCA.

PROGRAM BENEFITS: There are no direct benefits to the public.

BOARD OF CRIME CONTROL PLANNING
AND ADMINISTRATION PROGRAM Disbursements: FY 78 \$858,994
FY 79 \$761,681

PROGRAM DESCRIPTION: This program exists to provide the leadership, operational direction, and fiscal controls which are necessary to satisfy the activities mandated in the Crime Control Act and the Governor's Policy Initiatives. It is responsible for establishing goals and objectives and guides for coordinated operations. It conserves and protects assets and records, and controls monetary activities; prepares and maintains budgets; insures adherence to state/federal regulations; provides support staff for the Supervisory Board, Regional Advisory Councils, committee and task forces; conducts training workshops for staff in planning, technical assistance, grants management, and project evaluation; and provides for public education and community awareness programs.

The planning portion of this program encompasses six basic tasks. The tasks and related percentages of total outlay are: Comprehensive State Plan - 39%; Grants Management - 9%; Fiscal Management - 13%; Grant Audit - 3%; Regional Advisory Councils - 22%; and Project Evaluation - 14%.

The planning staff articulates system priorities, as determined by the Regional Advisory Council and the Supervisory Board, and allocates funds as directed by the Supervisory Board. The plan approved by the Supervisory Board is forwarded to the Law Enforcement Assistance Administration (LEAA) for final approval. This process is followed for the three separate plans required each year. The primary plan is the Comprehensive State Plan. The second plan places special emphasis upon, and is limited to, corrections. The third plan is restricted to the Juvenile Justice System.

PROGRAM BENEFITS: The principal benefit to the general public resulting from this program is that considerable new fiscal resources, \$2,135,471, were received, and judiciously injected into the state and local criminal and juvenile justice system in Fiscal Year 1978, to improve the system and to reduce crime utilizing the board's second program, the Action Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the role of the agency continue to evolve into a more technical assistance and facilitation oriented one as opposed to the past emphasis on funding and grants management. The benefits to local criminal justice agencies and to the public they serve will be numerous and in particular it will develop the capacities of local agencies and communities to deal more efficiently with crime and to accomplish this with local resources.

BOARD OF CRIME CONTROL ACTION PROGRAM Disbursements: FY 78 \$2,763,833
FY 79 \$2,078,830

PROGRAM DESCRIPTION: This program exists to improve the criminal and juvenile justice system and to reduce crime in Montana by funding projects and programs as determined in the Comprehensive State Plan for Criminal Justice Improvement.

There are 10 major activities carried out under the Action Program. The activities and a brief summary of each is as follows:

1. Cooperative Law Enforcement: To assist, by providing funding support, those local governments that elect to fully or partially consolidate city/county law enforcement services to improve efficiency and effectiveness.
2. Crime Specific Planning: To institutionalize, system-wide, crime specific planning techniques at the city/county level of government in high-crime incidence areas.
3. Manpower Development: To financially support manpower development systems for state and local criminal justice agencies.
4. Jail Improvement: To improve general jail conditions and support inmate programs in city and county jails.
5. Crime Prevention: To encourage and involve the general public in crime prevention and crime control programs and activities.

6. Juvenile Justice: To significantly improve community-based facilities and programs for youth in trouble.
7. Physical Resource Development: To modernize and upgrade criminal justice facilities and operational equipment.
8. Human Resource Development: To measurably raise the formal educational and training levels of all criminal justice practitioners.
9. Information Systems Development: To design and develop statewide, integrated comprehensive criminal justice information systems.
10. Adult Corrections System Improvement: To improve the adult corrections system, both in the areas of facility improvement and human services.

These activities are outlined in the annual comprehensive plan for criminal justice improvement and the funding allocated to each activity is determined on a yearly basis by the Board of Crime Control.

PROGRAM BENEFITS: The two principal benefits accruing to the general public from this program are a reduction in serious crimes statewide and an increase in the quality of justice through system improvement efforts.

For the third year in a row, the number of total index crimes (homicide, rape, aggravated assault, robbery, burglary, larceny/theft and motor vehicle theft) has decreased over the previous year. The total of 31,246 index crimes reported is 654 less than the 31,900 reported in the previous year.

The major decrease was in property crimes. Burglary and larceny/theft decreased by 1.5 percent and 3.1 percent respectively. Overall, a 2.4% decrease in property crime occurred in 1978. Although property crime showed a 2.4% decrease, reported violent crimes against persons increased by 2.7%. The volume decrease in the property crime categories accounted for the continuing general crime decrease in the seven major index crimes.

The overall quality of justice continues to improve through a consistent financial and technical assistance effort aimed at upgrading both human and physical resources and the general performance capacities of criminal justice line agencies.

Significant programs and benefits have accrued within the Juvenile Justice System with the increased emphasis in this critical area during the past fiscal year.

Montana implemented the state's first statewide effort at removing young people from jails in FY 1978. The shelter care program, which developed from the Governor's Detention and Shelter Care Plan and subsequent legislation passed in 1977, was funded by the Board of Crime Control and managed by the Department of Institutions. To date, the program has resulted in a 63 percent reduction in the number of noncriminal offenders held in jail.

The Youth Justice Council of Board of Crime Control completed task force studies with specific recommendations in the areas of delinquency prevention, and the predispositional care of youth. The findings and recommendations of these efforts are being used to determine priorities for funding, legislation, training initiative, and policy development.

The state's first statewide information system for youth courts became fully operational this year.

The Youth Justice Council continues to coordinate state youth programs by serving as a policy board for the Youth Development Bureau of SRS and the juvenile justice efforts of the Board of Crime Control.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: As recommended in the last annual report, additional state and federal funds should increasingly be employed in building a stronger planning and evaluation capacity in both state and local agencies of criminal justice. Additionally, program planning efforts should increase the emphasis on experimentation and research and reduce the emphasis on operating projects.

Criminal justice planning should be established as a formal component of local government supported by local funds, with a firm commitment to examine and plan for all resources within the community criminal justice system. State and federal assistance should be continued or increased in order to facilitate further development of the criminal justice planning function. Moreover, incentives should be provided to improve the process of planning and its products.

Demonstrated success (that is measurable results) on a broad scale is essential if criminal justice planning is ever to become an integral function of local government and the criminal justice system.

WORKERS' COMPENSATION PROSECUTION PROGRAM Disbursements: FY 78 \$132,379
FY 79 \$136,951

PROGRAM DESCRIPTION: This program provides administrative support and legal services to handle the investigation and prosecution of Workers' Compensation cases.

AGENCY DESCRIPTION:

The statutory authority for the Department of Labor and Industry under Executive Reorganization is contained in Title 82A, Chapter 10, R.C.M. 1947. The head of the Department is the Commissioner of Labor and Industry, who is appointed by the Governor and subject to confirmation by the Senate.

The Department is specifically concerned with employment, training, labor-management relations, conditions for workers and employee/employer rights. Its functions include providing services to those actively seeking employment and to employers seeking employees, working to eliminate discriminatory practices and artificial barriers to employment, supervising and enforcing labor laws and worker health and safety standards, and administering state collective bargaining, workers' compensation and unemployment insurance laws.

The Department consists of the Employment Security Division, the Workers' Compensation Division, the Employment and Training Division, the Labor Standards Division, the Human Rights Division and the Personnel Appeals Division.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Labor and Industry to follow equal employment opportunity laws and regulations in all matters pertaining to personnel, including recruitment and selection procedures, program operation, delivery of services and the development of personnel policies and procedures. The Department is actively working to review the affirmative action/personnel plans of the various divisions and to consolidate them into a department-wide plan.

In addition to working to provide increased employment opportunities for women and minorities, the Department has taken the lead among the state government agencies in developing and implementing job-sharing opportunities, offering professional jobs with upward mobility to persons incapable of working a 40-hour workweek.

Two divisions in particular place major emphasis on equal employment opportunity: the Human Rights Division, which administers the Freedom from Discrimination Act and reviews complaints under this act; and the Women's Bureau of the Labor Standards Division, which works full time to promote equal opportunities for women.

RECOMMENDATIONS FOR DEPARTMENT-WIDE IMPROVEMENTS: Continue efforts to coordinate activities of the various divisions, especially in the areas of affirmative action/personnel plans and public information and education.

Continue efforts to increase services and communication to the business and industry sector.

Continue to increase coordination among divisions involved in similar programs or in joint program operation.

Improve communication among divisions to facilitate provision of better, more coordinated interdivisional services to the public.

EMPLOYMENT SECURITY DIVISION

DIVISION DESCRIPTION:

The division exists to meet federal and state social legislation to provide employment, training and unemployment insurance services for the general welfare of all Montana citizens.

EMPLOYMENT SERVICE AND UNEMPLOYMENT

INSURANCE PROGRAM Disbursements: FY 78 \$66,151,074
FY 79 \$61,230,422

PROGRAM DESCRIPTION: This program provides a wide array of employment, training and unemployment insurance services to all citizens according to law.

PROGRAM BENEFITS: Registered 226,954 job seekers for employment or employment related services.

Placed 79,761 individuals in jobs.

Filled 120,682 job openings for employers.

Obtained 134,200 industrial job openings as a result of 65,600 employer visits.

Enrolled 408 new teachers and administrators for teacher placement services.

Placed 367 applicants in teaching and administrative positions.

Provided 71,496 counseling services to aid applicants in vocational choice and job development.

Provided special services for 83,642 youth, 22,816 older workers, and 18,304 handicapped workers.

Administered 27,217 special tests to determine workers' aptitudes and proficiencies.

Placed 1,164 young men and women in Job Corps training; more than 90% of these returned to school, entered military service or were placed in jobs after completion of training.

Processed 109 employer applications for importation of alien workers, with 42 approvals, 50 denials and 17 pending as of June 30, 1979.

Enrolled 6,055 persons in the Work Incentive Program (WIN) to raise the total program participation to 10,042; placed 2,637 WIN enrollees in jobs for considerable savings of welfare dollars.

Attained an enrollment of 2,119 persons in the Concentrated Employment Program (CEP) after 1,689 new additions in the past biennial period from a six-county area; placed 1,078 in jobs after completion of training.

Injected over \$100 million into the Montana economy by providing unemployment insurance benefits and/or training opportunities to Montana citizens. Over \$70 million in unemployment insurance compensation was paid to individuals who were temporarily unemployed.

Collected \$66,566,615 in insured employer tax contributions, excluding reimbursable payments for the state unemployment insurance trust fund.

Resolved 2,731 claimant and/or employer grievances through the appeal referee process, and 314 through the higher authority Board of Labor Appeals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Involve more local Job Service offices in the Job Service Improvement Program (JSIP), now active in ten of the larger office areas. The JSIP concept solicits and uses employer comments and suggestions to improve both unemployment insurance and employment service operations.

Establish more efficient utilization of staff by aggressive review and critique of program goals as set forth in the Fiscal Year 1980 Plan Service. Keep a close watch on problem areas and direction of numerical goals through quarterly self-appraisal system.

Increase public awareness of the benefits of agency programs and operations through aggressive public information activities.

WORKERS' COMPENSATION DIVISION

DIVISION DESCRIPTION:

The Workers' Compensation Division administers the Workers' Compensation Act of Montana along with several related statutes. The division's responsibilities include the administration of the State Compensation Insurance Fund, the monitoring of claims handled by private insurance carriers and self-insurers, the administration of state industrial safety and health laws, and the provision of rehabilitation services to disabled workers.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$1,270,702
FY 79 \$1,525,437

PROGRAM DESCRIPTION: The Administration Program is responsible for providing management and support services to the division. In addition, the program is responsible for providing rehabilitation services to injured workers and for conducting audits of employer accounts, internal audit reviews, and investigations relating to compliance with provisions of the workers' compensation law. The program also administers the Crime Victims Compensation Act and the Uninsured Employers Fund.

PROGRAM BENEFITS: Implemented the Crime Victims Compensation Act, which included establishing procedures and rules, designing forms, publicizing the availability of the benefits and awarding compensation benefits to innocent victims.

Implemented procedures to enforce the Uninsured Employers Fund, which included the investigation of alleged uninsured employers and levying of civil penalties as appropriate.

Participated with two state and two federal agencies in the small business clinics held in fourteen Montana cities. Presented information on workers' compensation coverage requirements to more than 1,200 Montana employers.

Distributed thousands of pamphlets to employers and employees explaining workers' compensation coverage requirements and benefits.

Conducted the annual claims seminar for representatives of the insurance industry, attorneys, physicians and other interested parties.

Individually contacted or made presentations to more than 1,400 Montana employers to explain the federal record keeping requirement under the Occupational Safety and Health Act.

Rehabilitation counselors met with 478 injured workers in FY 1978 and 435 in FY 1979 to assist them in various rehabilitation efforts.

Designed and developed enhancements to the Management Information System, which increased office efficiency and economy, improved claims processing, provided more accurate and up-to-date information and automated manual processes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue the participation in the small business clinics because of the overwhelming support, as it is a major avenue for providing the necessary information to Montana businesses.

STATE INSURANCE FUND PROGRAM Disbursements: FY 78 \$16,534,270
FY 79 \$20,459,893

PROGRAM DESCRIPTION: The State Insurance Fund Program operates and administers an insurance enterprise, enrolling employers, assigning rates, and paying claims to industrially injured workers.

PROGRAM BENEFITS: Provides prompt, reasonable medical and compensation benefits of approximately \$13,000,000 in FY 1978 and \$16,000,000 in FY 1979 to the injured workers of Montana.

Implemented an automatic premium volume discount system that reduces the amount of premium paid by employers after their premiums reach certain levels.

Reduces premium rates in direct savings to employers of about \$4,000,000.

Provided workers' compensation insurance to more than 20,000 Montana employers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop a method of "peer review" of medical services required for specific conditions, the desired result being reduced medical benefit costs.

DEPARTMENT OF LABOR AND INDUSTRY

Increase emphasis on the safety aspect of workers' compensation by providing increased safety services to state fund employers and by demonstrating that safety on the job can result in reduced cost of workers' compensation coverage.

INSURANCE COMPLIANCE PROGRAM Disbursements: FY 78 \$1,239,064
FY 79 \$1,172,897

PROGRAM DESCRIPTION: The Insurance Compliance Program monitors policy filing records of private insurance companies and monitors the processing of claims of injured employees covered by private insurance companies, and claims of injured employees of companies that are self-insured.

PROGRAM BENEFITS: Assured prompt, equitable and uniform delivery of workers' compensation benefits to 3,600 injured workers in FY 1978 and 3,300 in FY 1979.

Processed approximately 20,000 new accident claims in FY 1978 and 19,300 in FY 1979.

Arranged for rehabilitation contracts and pain clinic examinations.

Conducted information workshops for claims managers, adjusters and related personnel.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to increase personal interaction with adjusting offices by conducting informational workshops for claims managers, adjusters and allied personnel.

SAFETY AND HEALTH PROGRAM Disbursements: FY 78 \$571,063
FY 79 \$590,914

PROGRAM DESCRIPTION: The Safety and Health Program is responsible for providing safety inspections of employers engaged in coal mining, metal and non-metal mining, and logging. It also provides safety inspections of public agencies and is responsible for inspecting and approving the operation of boilers in the state. The program also performs advisory inspections for other employers using the Federal Occupational Safety and Health Standards and is responsible for licensing boiler and crane operators, certifying coal mine foremen and conducting safety and health training programs.

PROGRAM BENEFITS: Safety compliance officers and industrial health personnel performed more than 2,000 inspections and investigations at employers' premises in an effort to eliminate safety and health hazards. This affected 47,643 employees and resulted in 360 serious violations discovered and abated and 16,168 non-serious violations abated or scheduled to be abated.

Conducted more than 273 training courses in first aid, safety, cardiopulmonary resuscitation and defensive driving, serving a total of 3,485 people.

Boiler inspectors conducted 1,583 inspections or investigations and reviewed 4,805 insurance company inspections to insure boilers are properly maintained and in the hands of competent operators.

Performed more than 600 inspections and investigations of mines in an effort to eliminate the hazards to which employees are exposed in metal mining, quarrying, sand and gravel pits and coal mining. Other activities included training courses, safety meetings and examinations of coal mining foremen.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue advisory inspection programs for private industry.

Schedule compliance officers and inspectors into training programs, when and where such training is available, to keep them aware of changes and to add to their expertise.

Update training section by preparing more effective slide presentations covering all aspects of potential hazards.

EMPLOYMENT AND TRAINING DIVISION

DIVISION DESCRIPTION:

The Employment and Training Division administers the Comprehensive Employment and Training Act (CETA) in Montana. The Governor's Employment and Training Council is an advisory body to the division and to the Governor, who is the prime sponsor for receipt of federal funds under the act.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

PROGRAM COST: Although the Comprehensive Employment and Training Act is funded according to the federal fiscal year (October 1, through September 30) the following figures are applicable to the state fiscal system, in accordance with the annual report data sheet requirement:

	<u>FY 1978</u>	<u>FY 1979</u>
Job Training Programs	5,797,522	5,959,510
Public Service Employment	20,782,856	15,866,538
Youth Programs and		
Special Federal Programs	2,633,993	2,818,911
Administration	922,104	961,599

PROGRAM DESCRIPTION: The purpose of the CETA program is to provide employment and training opportunities for unemployed, underemployed and economically disadvantaged persons.

PROGRAM BENEFITS: Provided employment and training opportunities for approximately 31,000 individuals.

Placed 12,711 people in permanent employment upon completion of CETA training.

Injected or generated more than \$50,000,000 into Montana's economy.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase funding of CETA in order to generate greater employment and training opportunities for Montanans as well as to stimulate the state economy.

Continue cooperation between existing state agencies and the Services Committee of the Governor's Employment and Training Council to enhance the coordination of employment and training related programs and to identify and eliminate any program duplication.

Increase training opportunities for CETA program operators and service deliverers to keep them apprised of changes and additions to the act.

Increase evaluation of CETA programs in terms of affected population groups, identification of problems of discrimination, development of corrective action plans and expanded follow-up activities.

Increase public information efforts to keep the public apprised of CETA programs and increase awareness on the part of potential participants of programs and services available.

LABOR STANDARDS DIVISION

DIVISION DESCRIPTION:

Composed of the Standards Bureau, the Apprenticeship Bureau and the Women's Bureau, the Labor Standards Division is responsible for enforcing various state and federal labor laws, overseeing apprenticeship and on-the-job training programs in Montana and working for the elimination of sexual barriers to employment for women.

STANDARDS BUREAU PROGRAM Disbursements: FY 78 \$236,291
FY 79 \$230,345

PROGRAM DESCRIPTION: The Standards Bureau is responsible for the supervision and enforcement of various labor laws including: minimum wage; Wage Payment Act; Contractor Wage Protection Fund Bond; Restaurant, Bar and Tavern Wage Protection Act; Child Labor Law; Maternity Leave Act; prevailing wage rates in public works contracts; Private Employment Agency Act; and Nurses' Employment Practices Act. The bureau works to ensure that all employees in the public and private sectors are properly paid and to maintain a policy of standards for workers that will protect their health, efficiency and general well-being.

PROGRAM BENEFITS: 308 FY 1977 claims not completed carried into this biennium.
1,487 claims processed and closed in FY 1978.

DEPARTMENT OF LABOR AND INDUSTRY

629 field inspections scheduled.

325 field inspections in compliance; 126 not in compliance; 178 not completed.

411 formal hearings scheduled.

Wages recovered:

	<u>FY 1978</u>	<u>FY 1979</u>
Through field inspections:	\$ 17,870	\$ 33,118
Through assigned wage claims:	225,397	210,654
Through prevailing wage law:	25,538	32,648
Through maternity leave act:	<u>0</u>	<u>4,000</u>
	<u>\$268,805</u>	<u>\$280,420</u>

1,890 persons received recovered wages.

Closed 23 cases out of 54 complaints filed under the Maternity Leave Act.

Wrote 5,589 letters and handled 9,445 phone calls during FY 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to coordinate and consolidate travel with staff of other agencies to reduce cost.

Continue to implement better statistical and cost analysis methods concerning people served and cost of services provided.

Continue development of a program for more efficient and faster handling of wage claims and files in the bureau.

Reduce travel expenses considerably by assigning resident compliance officers in Billings and Missoula, especially if motor pool cars are made available in those areas.

APPRENTICESHIP BUREAU PROGRAM Disbursements: FY 78 \$115,896
FY 79 \$121,959

PROGRAM DESCRIPTION: The Apprenticeship Bureau, under state and federal law, is the registration agency for and has authority over all apprenticeship and on-the-job training (OJT) programs in Montana. This program implements legislation to provide registered training, apprenticeship programs and related services to the citizens of the state.

PROGRAM BENEFITS: Enrolled 1,514 apprentices into registered program.

Enrolled 407 on-the-job trainees into various programs.

Prepared and issued certifications of completion for 264 OJT trainees and 679 registered apprentices.

Provided almost 500 new program approvals for veterans' benefits.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand rural apprenticeship program opportunities and promotion.

Expand program service to all existing apprenticeship and OJT sponsors.

Provide pre-apprenticeship programs to quality women into apprenticeship programs in non-traditional occupations.

WOMEN'S BUREAU PROGRAM Disbursements: FY 78 \$64,315
FY 79 \$71,244

PROGRAM DESCRIPTION: The Women's Bureau works to establish in Montana an atmosphere that will allow women to contribute to society according to their fullest potential. This work is undertaken through efforts to improve employability development opportunities, to increase awareness of job opportunities and to eliminate sexual barriers to employment for women.

PROGRAM BENEFITS: The following benefits were provided by the program during the biennium:

4,500 brochures published and distributed throughout the state.

16,741 newsletters published and distributed throughout the state.

4,000 WOMEN AND THE LAW booklets 1976 and 1978 editions published and distributed through the state.

3,500 GETTING HIRED: A JOB HUNTING MANUAL FOR MONTANA WOMEN were published and distributed throughout the state.

A federal grant was obtained to fund the Women in Policy Committee to examine the policies and procedures in the Department of Labor and Industry that impact women in employment and training.

Worked with the public and private employers in Montana in the development of the "job sharing" concept for women, particularly on the professional level.

Developed a five-minute weekly radio program aired on 22 stations.

Produced a monthly TV program.

Produced a weekly hour-long legislative TV program during the 1979 session.

Worked with the Governor's Employment and Training Council and the Office of Public Instruction to establish training programs for displaced homemakers.

Worked with the Apprenticeship Task Force and Apprenticeship Bureau to establish a pre-apprenticeship training program and career education information for women seeking these types of non-traditional jobs.

Provided travel funds for Status of Women Advisory Council.

Conducted a series of seminars for women in business.

Participated in the development, distribution, and analysis of a women and work survey.

Operated an information clearinghouse for use by a broad range of individuals, groups and government agencies.

Counseled women in career planning and employment related skills.

Spoke to several groups and organizations.

Held meeting for women's organizations' staffs to develop a better understanding of this agency.

Provided technical assistance to groups in the design and submission of funding proposals, drafting of legislation, and planning of large and small meetings and workshops.

Served on various boards, task forces and committees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The bureau must be given more recognition than it currently has in order to have the impact that is implied in the legislative charge, as well as a higher funding level than it currently has in order to fulfill all functions as directed.

HUMAN RIGHTS DIVISION Disbursements: FY 78 \$193,766
FY 79 \$208,373

DIVISION DESCRIPTION:

The Human Rights Commission is a quasi-judicial board that seeks to eliminate discriminatory practices in employment through conference, conciliation and as necessary, hearings. The commission, through the Human Rights Division, is responsible for programs initiated for the purpose of broadening the base of job recruitment, promoting equal opportunities, augmenting educational programs that seek to eliminate discrimination and encouraging and enforcing compliance with the Freedom from Discrimination Act.

PROGRAM BENEFITS: 572 complaints of discrimination were received in the 1979 Biennium; 488 of these were settled (43 no jurisdiction, 56 withdrawals, 105 administrative closures, 158 findings of no cause, 111 conciliations, 1 declaratory ruling and 14 commission decisions).

The annual conciliation amounts as per Equal Employment Opportunity Commission guidelines totaled \$363,274.

Other conciliation agreements included changing of discriminatory policies and offering of positions.

A "Business Rights Line" was established and answered 242 inquiries from the business community.

Approximately 2,300 inquiries were received, 308 of which resulted in discrimination complaints. Phone calls resolved some of these prior to filing, others were referred to proper agencies within state government.

308 personal interviews were conducted.

204 public appearances were conducted, including speeches, workshops and seminars. Approximately 4,000 people attended.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A hearings officer is needed to expedite cases set for hearing. Also, with the loss of VISTA and CETA personnel, an additional investigator is needed.

Funding is needed to implement the Governmental Code of Fair Practices, which is the responsibility of the division.

Educational programs and technical seminars for the business community and protected classes would be beneficial.

PERSONNEL APPEALS DIVISION Disbursements: FY 78 \$264,423
FY 79 \$266,206

DIVISION DESCRIPTION:

The Board of Personnel Appeals, through the Personnel Appeals Division, administers Montana's Collective Bargaining Act for Public Employees, handles classification appeals for state government employees and hears employee grievances for employees in the departments of Highways and Fish, Wildlife and Parks.

PROGRAM BENEFITS: Provided services for 60 representation elections, 100 mediations, 37 fact findings, 73 unfair labor practice charge resolutions and 63 grievance arbitrations.

Handled 153 classification appeals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop procedures to expedite the handling of classification appeals. This would save the agency, appellants and appellants' agencies time and money.

Develop methods to provide an ongoing training program for ad hoc fact finders, arbitrators, and hearing examiners. This would ensure a better service rendered to the public in the handling of labor relations disputes.

Develop an information program to better acquaint labor and management representatives and the general public with goals and objectives of the collective bargaining process and with the administration of the act.

DEPARTMENT OF LIVESTOCK

AGENCY DESCRIPTION:

The Department of Livestock consists of two major divisions: the Animal Health Division is responsible for control and eradication of animal diseases, and the prevention of the transmission of animal disease to humans; the Brands Enforcement Division is responsible for the protection of the livestock industry from theft and predatory animals.

The Department of Livestock is provided for in 2-15-3101, MCA.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

A revised employee evaluation system was put into effect, to the benefit of supervisors and employees.

Recruitment and promotions were conducted in conformity with our Affirmative Action Plan.

The Department adopted several employee related procedures including grievance and complaint, and exit interviews.

CENTRALIZED SERVICES PROGRAM Disbursements: FY 78 \$169,606
FY 79 \$209,864

PROGRAM DESCRIPTION: The Centralized Services Program is responsible for the accounting, budgeting, payroll, personnel, purchasing, and general services functions for the Department of Livestock.

PROGRAM BENEFITS: New personnel procedures were adopted for the purpose of improving morale and, hopefully, productivity.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

ANIMAL HEALTH ADMINISTRATION PROGRAM Disbursements: FY 78 \$72,056
FY 79 \$64,287

PROGRAM DESCRIPTION: The Animal Health Administration Program is responsible for providing central direction to the programs within the division, and maintaining a working liaison with Montana veterinarians, livestock producers, and animal health officers of other states and the federal government. This program responds to the needs of all bureau recommendations for Board of Livestock judgment.

PROGRAM BENEFITS: At the direction of the board, an ongoing review was initiated toward the reorganization of the various bureaus within the Animal Health Division to maximize their efficiency in meeting their statutory requirements. The result of this effort is the new Department of Livestock Organizational Rule (32.1.101) published 7-1-80. The various livestock rules regarding the importation of livestock, control eradication and/or prevention of livestock disease such as brucellosis, pseudorabies, and scabies were reviewed and modified to meet the current conditions and needs of the livestock industry.

DEPARTMENT OF LIVESTOCK

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: This program as a separate entity was deleted as of 7-1-79 and absorbed into the Diagnostic Laboratory Program, the Disease Control Program, and the Milk and Egg Program.

DIAGNOSTIC LABORATORY PROGRAM Disbursements: FY 78 \$373,748
FY 79 \$400,003

PROGRAM DESCRIPTION: The Diagnostic Laboratory Program functions are to provide laboratory support for the Disease Control and Milk and Egg bureaus; provide laboratory diagnostic support to veterinarians and livestock producers; protect the public health by testing dairy products and performing diagnostic tests on suspected rabies cases and other zoonotic diseases; and provide test services to enhance the marketability of livestock. Testing on wildlife and small animals is performed upon request.

PROGRAM BENEFITS: The general public benefits from the accurate, rapid diagnosis of zoonotic diseases such as rabies and brucellosis. The dairy products quality testing provided by the laboratory also guarantees a wholesome, safe product for the consumer. The protection against disease losses provided by this program for the livestock industry helps to insure the continued viability of Montana's largest industry.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Because time is a critical factor in the value of laboratory results dealing with disease processes, provisions should be made to insure minimum delays in the processing and the reporting of laboratory specimens.

DISEASE CONTROL PROGRAM Disbursements: FY 78 \$475,976
FY 79 \$484,388

PROGRAM DESCRIPTION: The Disease Control Program functions are to provide for the diagnosis, prevention, control, and eradication of animal diseases and disorders; maintain a disease surveillance system; provide education and information on animal diseases and disorders to the livestock industry, the veterinary profession, and the public at large; conduct applied research into the causes, transmissibility and control of animal disease and disorders; enforce sanitary standards and inspect animals at livestock auction markets; monitor and enforce import-export requirements applied to livestock; and assist the Department of Health and Environmental Sciences in the control of animal diseases transmissible to man.

PROGRAM BENEFITS: The effort to control brucellosis was continued, further reducing the number of quarantined cattle herds. Import requirements related to scabies have been strengthened and more import dip stations have been established under private ownership with Department supervision. By institution of an import permit program, introduction of scabies into Montana from surrounding infested states has been prevented.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase and coordinate more interagency efforts to monitor and inspect imports of cattle, thereby preventing introduction of animal diseases to Montana.

DEPARTMENT OF LIVESTOCK

Acquire necessary supplemental equipment to facilitate performance of required duties; i.e. portable corrals and chutes.

MILK AND EGG PROGRAM Disbursements: FY 78 \$131,457
FY 79 \$139,520

PROGRAM DESCRIPTION: The Milk and Egg Program function is to insure that eggs, milk and milk products sold or manufactured in Montana are fit for human consumption. This function is accomplished through licensing, sampling, laboratory testing, product and site inspecting and is done in cooperation with other state and federal agencies. The program supervises the enforcement of state and federal law.

PROGRAM BENEFITS: The program insured the consumer of a safe, wholesome supply of eggs, milk, and milk products through a thorough inspection and sampling program provided by competent field personnel, with follow up from laboratory analysis.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide adequate training for all personnel to keep up with the ever changing milk and egg industry technology.

INSPECTION AND CONTROL PROGRAM Disbursements: FY 78 \$1,121,212
FY 79 \$1,162,910

PROGRAM DESCRIPTION: The Inspection and Control Program is responsible for theft investigations, stray livestock investigations, brand inspections and dealer licensing as well as slaughterhouse brand inspection and hide and beef inspection.

PROGRAM BENEFITS: There are approximately 70,000 recorded brands in Montana. This program provides producers of livestock protection against theft, stray livestock and sale of unauthorized livestock, as well as sale of livestock to unauthorized and unbonded licensed dealers. Further, slaughterhouses, hide dealers and beef processors are subject to inspection for ownership.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue the effort to reduce livestock losses due to theft, strays, etc.

PREDATORY ANIMAL CONTROL PROGRAM Disbursements: FY 78 \$177,456
FY 79 \$246,726

PROGRAM DESCRIPTION: This program offers protection to livestock producers by reducing killing and/or injury caused by certain types of predatory animals to domestic livestock. It is also designed to alleviate problems caused by some species which may endanger human health or safety, particularly the coyote, which may carry bubonic plague.

PROGRAM BENEFITS: Through the M-44 permit system, the aerial hunting system, and the use of three full-time helicopters, along with a master project agreement with the U.S. Fish and Wildlife Service, the livestock producers in Montana are offered protection for their livestock from predation by certain predatory animals.

DEPARTMENT OF LIVESTOCK

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue the effort to obtain authorization to use 1080 for predator control in Montana.

RABIES AND RODENT CONTROL PROGRAM Disbursements: FY 78 \$61,764
FY 79 \$49,266

PROGRAM DESCRIPTION: The program exists to prevent exposure of domestic animals and man from rabid skunks and to develop and coordinate a state program for the control of field rodent pests which are destroying food, fiber, and natural resources.

PROGRAM BENEFITS: The program reduced striped skunk populations within the immediate vicinity of farms, ranches, communities, and concentrations of livestock where rabid skunks have been diagnosed, and coordinated field rodent control activities in individual counties emphasizing damage assessment, training of control personnel, monitoring control strategies, and evaluating improved control methods.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Registration of certain rodenticides and predacides by the U.S. Environmental Protection Agency is critical.

AGENCY DESCRIPTION:

The Montana Department of Military Affairs consists of two functional divisions. The Montana National Guard Division is constituted for the purpose of providing trained and equipped military organizations, both Army and Air, available to the Governor in the event of a state emergency and to the President in the event of a national emergency. The Disaster and Emergency Services Division provides an organization to plan and conduct emergency operations in the event of enemy attack or natural disaster. The Division of Disaster and Emergency Services is responsible for the preparation, implementation, and maintenance of comprehensive plans and programs, coordinated with all levels of government, which outline preventive, preparedness and recovery measures to minimize injury and damage caused by all types of disaster.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department of Military Affairs has implemented an Equal Opportunity and Affirmative Action Plan for its employees, both state and federal. Recruiting of employees is accomplished using Federal Civil Service and Merit System non-discrimination guidelines for vacancies in those systems. Vacancies in other programs are recruited from the Montana Job Service and from within the Montana Army or Air National Guard using agency non-discrimination guidelines.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$143,547
FY 79 \$137,142

PROGRAM DESCRIPTION: The Administration Program exists to provide management and supervision for the Army and Air National Guard programs and the Emergency Support Program. The program includes salaries of the Adjutant General, the Assistant Adjutant General, the Administrator of Centralized Services, and an Accounting Technician. Additionally, funds are disbursed to support the operation of the Departmental Headquarters.

PROGRAM BENEFITS: The program provides stability and continuity in the operation of the Department and provides a central source of information to the general public or other state or federal agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: An additional FTE is needed to provide clerical help in searching records to implement the Public Employees' Retirement System for members of the Montana National Guard.

ARMY NATIONAL GUARD PROGRAM Disbursements: FY 78 \$481,900
FY 79 \$547,548

PROGRAM DESCRIPTION: The Montana Army National Guard exists to provide military organizations trained and equipped to function when necessary, in the protection of life and property and in the preservation of peace, order and public safety, as directed by the Governor; to provide trained and qualified individuals available for federal service in time of war or national emergency, or at such other times as the national security may require. The Army Program consists of 12 FTEs in clerical, maintenance, custodial and security areas designed to supplement the Montana Army National Guard federal program where federal funding is not available. The

majority of additional funds expended in this program are in support of training facilities and armories, including supplies, maintenance and utilities.

PROGRAM BENEFITS: The Montana Army National Guard is a ready force available to provide the resources and expertise to handle any emergency. The Montana Army National Guard has been used to fight forest fires, in flood duty, in winter feeding and lifesaving missions, and in support of the state institutions in the past biennium. The readiness of the Montana Army National Guard has been substantially increased by the use of the Weekend Training Site at Fort Harrison and Townsend which is supported by funds from this program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Funds should be appropriated to provide additional incentives to attract and retain people in the Montana Army National Guard. These could be in the form of tuition assistance for post-secondary schooling, enlistment and reenlistment bonuses and funding to pay the employers' share of PERS for members of the Montana Army National Guard.

AIR NATIONAL GUARD PROGRAM Disbursements: FY 78 \$240,620
FY 79 \$246,487

PROGRAM DESCRIPTION: The Air National Guard Program exists to provide clerical, facilities maintenance and fire protection support to the Air National Guard Base at Great Falls. The program consists of 17 FTEs - 3 clerical positions, 4 maintenance and custodial positions, 3 firefighter supervisory positions and 7 firefighter positions. Additional funds are disbursed in support of the Air National Guard Headquarters.

PROGRAM BENEFITS: The 120th Fighter Interceptor Group, Montana Air National Guard, equipped with F-106 aircraft, is an important and vital part of the Aerospace Defense Command, U.S. Air Force. The organization has over 90% of authorized strength and is ready to provide instantaneous response in the event of enemy attack. The state program is designed to provide support in those areas where federal support is not available.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It has been difficult to recruit for and retain trained individuals in the maintenance positions. It is recommended that the carpenter, electrician and plumber positions be upgraded to more favorably compare with similar positions in the civilian community.

EMERGENCY SUPPORT PROGRAM Disbursements: FY 78 \$ 26,327
FY 79 \$1,393,713

PROGRAM DESCRIPTION: The Emergency Support Program provides funds for operating expenses and for payment for personal services of Montana National Guard personnel ordered to state service by proclamation of the Governor of Montana. These men and women, when ordered to state active duty, render the necessary aid and assistance required to save human life, prevent human suffering or mitigate great destruction of or damage to property, or enforcement of laws as dictated by the state of emergency.

This emergency support is provided in accordance with Article VI, Section 13, Constitution of the State of Montana. Payment of personnel is authorized by Sections 10-1-501 and 10-1-502, MCA.

PROGRAM BENEFITS: This program provides the Governor with an organization than can immediately respond to any emergency that no other organization or group of sufficient size would be available to support. Specific benefits to the general public result from aid rendered during earthquakes, floods, wildfire, drought, assistance to the state's institutions or other catastrophe in any part of the state, which, in the determination of the Governor, is or threatens to be of sufficient severity and magnitude to warrant disaster assistance.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provisions should be made for state employees who are members of the Montana National Guard to receive a minimum of five days administrative leave from their normal jobs for each emergency for which they are called to state active duty. This would lessen the hardship many Guard members experience when ordered to duty at a much lower rate of pay.

DISASTER AND EMERGENCY SERVICES

COORDINATION PROGRAM	Disbursements: FY 78 \$212,177
	FY 79 \$223,436

PROGRAM DESCRIPTION: The program coordinates all emergency preparedness programs in order to provide for the survival of the populace of Montana during any type of disaster.

PROGRAM BENEFITS: This program administers all federal contracts for the agency and manages the state's efforts in civil preparedness training and exercises, in the allocation of federal excess equipment, and in requests and disbursements of federal financial aid to political subdivisions to increase their operational readiness capability. In addition, assistance and advice is given to all political subdivisions of this state to help them execute their disaster and emergency service responsibilities. This bienniums's disaster requests included state declarations for fire, flood, drought, winter storms, and mosquitoes; and a presidential disaster declaration for major flood relief.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: We recommend the consolidation of all the state agencies' communication systems into one facility with central dispatch capabilities. This would eliminate the existing duplication of systems, personnel and space, as well as provide coordination of state personnel and resources during emergency situations. This would increase our ability to provide for maximum public safety and protection of property.

EMERGENCY DISASTER RELIEF PROGRAM	Disbursements: FY 78 \$ 381,710
	FY 79 \$2,644,594

PROGRAM DESCRIPTION: This program was set up explicitly to record and insure the proper distribution of all federal disaster relief funds to the public entities involved as authorized by presidential disaster declarations.

DEPARTMENT OF MILITARY AFFAIRS

PROGRAM BENEFITS: Through the mechanism provided by this program, federal disaster relief funds for public entities are disbursed. All but one of the 52 projects from the 1975 Presidential Disaster Declaration for flood relief were completed, while initial advance payments on projects totaling \$4,119,812 were processed for 66 applicants affected by the May, 1978, flood disaster in the southeastern section of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

CIVIL DEFENSE CALIBRATION AND

MAINTENANCE PROGRAM Disbursements: FY 78 \$41,111
FY 79 \$41,769

PROGRAM DESCRIPTION: This program is designed to manage, operate and coordinate an overall radiological preparedness program for the State of Montana in preparation for nuclear incidents.

PROGRAM BENEFITS: Classes on hazardous material identification and handling, radiological monitoring and radiological defense have been held throughout the state to assist local government in meeting their nuclear responsibilities. To keep vital radiological instruments in working condition, the exchange and servicing of pre-positioned instruments were also continued.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

CIVIL DEFENSE CRISIS RELOCATION PROGRAM Disbursements: FY 78 \$44,452
FY 79 \$34,220

PROGRAM DESCRIPTION: This program provides planning for the relocation of about 220,000 Montana citizens from high risk target areas to less vulnerable locations; and it addresses sheltering of the state's entire population from radioactive fallout.

PROGRAM BENEFITS: Efforts have centered on data collection and plans for movement, reception and care of over 119,600 of the Montana "risk area" residents (as defined by the Department of Defense) to "host" counties; and the updating of community shelter plans for these same "host" counties.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

NATURAL DISASTER RESPONSE PROGRAM Disbursements: FY 78 \$70,297
FY 79 \$58,446

PROGRAM DESCRIPTION: This is a short-term program specifically designed to develop a state natural disaster response plan for relief and assistance for individuals, businesses, institutions, and state and local governments suffering losses as a result of natural disasters and emergencies, including long-range recovery and reconstruction assistance.

PROGRAM BENEFITS: The Montana Disaster and Emergency Plan, which assigns emergency responsibilities for state departments in assisting local governments and disaster victims in preparing for, responding to, and

recovering from the effects of natural or man-caused disasters, was prepared, published and distributed. In addition, the following natural disaster related items were also completed: (1) Drought Contingency Plan; (2) Administrative Plan for Individual and Family Grant Program; (3) Local Government Disaster Information Manual; and (4) a "Handbook for Applicants" on use of the Governor's disaster and emergency fund.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

FEDERAL DISASTER COORDINATION PROGRAM	Disbursements:	FY 78	\$	0
		FY 79	\$	3,571

PROGRAM DESCRIPTION: This program is used only when needed to supplement the normal staff of the Disaster and Emergency Services Division in their efforts to carry out the state's responsibility for handling of federal project applications resulting from a presidential disaster declaration.

PROGRAM BENEFITS: As a result of the 1978 Presidential Disaster Declaration for flooding in southeastern Montana, a contractor was engaged for a period of approximately four months to perform services required in the preparation and monitoring of project applications and/or supplementals for federal disaster assistance to eligible state and local political subdivisions and private non-profit organizations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

LOCAL CIVIL DEFENSE REIMBURSEMENT PROGRAM	Disbursements:	FY 78	\$	270,821
		FY 79	\$	208,481

PROGRAM DESCRIPTION: This program was set up specifically to record disbursement of federal disaster preparedness grants to the local political subdivisions.

PROGRAM BENEFITS: Through the mechanism provided by this program, local governments have received federal preparedness grant monies to assist them in the day-to-day administration of their disaster preparedness program, as well as matching funds for the purchase and installation of communications and warning equipment and construction of emergency operating centers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

AGENCY DESCRIPTION:

Through judicious execution of its many statutory responsibilities concerning Montana's land, water, forest, and energy resources, the Department of Natural Resources and Conservation assists in maintaining and enhancing the unique quality of life in our state. Resources are managed and their development assisted to answer human needs and achieve economic well-being. Safeguards are provided so that development activities do not impose undue impacts upon the human or natural environment, unavoidable impacts are mitigated, and the resource needs of future generations can be met.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department of Natural Resources and Conservation continued to pursue its EEO commitment and to emphasize affirmative action in all personnel and related matters. Agency supervisors were frequently apprised of the importance of EEO; vacant positions were consistently advertised with the Job Service, minority and women recruitment sources, and news media; participation by agency women remained high on both the ICCW and the DNRC Women's Committee; and hiring decisions were fully documented for EEO purposes and reviewed by the EEO officer.

CENTRALIZED SERVICES PROGRAM Disbursements: FY 78 \$1,110,200
FY 79 \$1,501,584

PROGRAM DESCRIPTION: Managerial and administrative support services essential for the effective operation of all DNRC divisions are performed through the Centralized Services Program. Areas of responsibility include budgeting and accounting, purchasing, systems analysis and data processing, inventory, legal counsel, personnel, library, public information and involvement, technical writing and editing and cartography.

PROGRAM BENEFITS: The Centralized Services Program exists primarily to assist and oversee all operations of DNRC and therefore serves the public indirectly through DNRC's programs. It also serves as a source of public information and receives inquiry and input into natural resources issues which affect the citizens of Montana.

The state's Young Adult Conservation Corps Program (YACC) and the Youth Conservation Corps Program (YCC), funded with federal and local matching funds, are administered through the Centralized Services Program. DNRC contracts with local governments or private non-profit service groups to operate these programs. YACC employed 34 young people in FY 1978 and 58 young people in FY 1979, ages 16 to 23, for its year-round program. From June, 1978, to July, 1979, this program resulted in 36,707 hours of productive work by the enrollees on conservation projects. YCC, an eight-week non-residential program, employed 102 young men and women in FY 1978 and 97 in FY 1979, ages 15 to 18, for summer conservation work on public non-federal land. In FY 1979 this amounted to 19,600 hours of productive work.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

OIL AND GAS CONSERVATION PROGRAM Disbursements: FY 78 \$376,450
FY 79 \$761,008

PROGRAM DESCRIPTION: The purpose of the Oil and Gas Conservation Program is to regulate exploration of drilling for oil and gas; the Oil and Gas Conservation Division administers Montana oil and gas laws to prevent wasteful practices in the recovery of oil and gas resources. The program encourages conservation; it includes well classifications, inspections and investigations, and the issuance of drilling permits. It also establishes well spacing units, secondary recovery programs, and pooling orders, and conducts engineering and geologic studies. A complete library of drill cuttings and technical data for individual wells is maintained in the Billings office.

During FY 1979, the Oil and Gas Conservation Program accepted the responsibility of administering certain sections of the Federal Natural Gas Policy Act of 1978. To date, the program has acted on 220 applications by gas well operators under this act. The Natural Gas Policy Act is designated to stimulate drilling and development of the nation's natural gas deposits; it sets maximum prices for gas from wells that qualify under the categories of natural gas described in the act.

PROGRAM BENEFITS: The benefits received by the people of Montana as a result of the conservation practices encouraged by this program are jobs, economic growth, a lessening of tax load on the public and continuous supplies of oil and gas.

A summary of Montana's oil and gas development for 1978 and 1979 is given below:

	<u>FY 1978</u>	<u>FY 1979</u>
Number of oil wells completed (drilled)	120	137
Number of gas wells completed	183	248
Number of dry holes completed	<u>313</u>	<u>297</u>
Total	<u>616</u>	<u>682</u>
Oil production (barrels)	31,315,000	29,907,000
Gas production (Mcf)	45,374,000	51,666,000
Projected oil reserves (barrels)	233,000,000	240,000,000

Much of this activity occurred along the Sweetgrass Arch of western Montana and in the Williston Basin area of eastern Montana.

The additional oil reserves discovered during FY 1979 should result in increased production during 1979-80. Exploration is expected to expand into new areas such as the complex folded-belt formation in western Montana, thus adding more reserves in the coming biennium.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

CONSERVATION DISTRICTS PROGRAM Disbursements: FY 78 \$259,375
FY 79 \$275,293

PROGRAM DESCRIPTION: The Conservation Districts Division administers resource district supervision which at present comprises six major programs:

The Conservation Districts Supervision Program provides supervision, assistance, and coordination to local conservation districts in their efforts toward proper development and management of land and other resources.

The 208 Sediment Control Program assisted in achieving compliance with federal water-quality objectives, emphasizing a district level water-quality program.

The purposes of the Rangeland Resource Program, established under the Montana Rangeland Resource Act by the 1977 Legislature, are to improve rangeland management and coordinate federal, state, and local range-management efforts. Representatives from DNRC have assisted county range leaders in preparing rangeland inventories and organizing county range councils.

Under the Watershed Planning Program, state review is made of the small watershed projects assisted and partially funded by the Soil Conservation Service of the U.S. Department of Agriculture under Public Law 566.

The Cooperative State Grazing Districts Program assists and advises the grazing districts regarding the conservation, protection, restoration, and proper use of grass, forage, and range resources.

Resources Conservation Planning provides for an appraisal of the nation's soil, water, and related resources every five years and corresponding plans at conservation district, state, and national level.

PROGRAM BENEFITS: Specific benefits to the public are the application of those conservation practices which preserve land for agriculture and wildlife, protect property from flooding, provide economic activity and maintain a broad tax base.

During the biennium, counsel was provided to all conservation districts on water reservations, district elections, administration of the state Streambed and Land Preservation Act, and other resource conservation practices and projects. The Conservation Districts Division, together with conservation districts, assisted the Soil Conservation Service in an appraisal of soil, water, and related resources conservation needs, with funds provided under the Resource Conservation Act

In the biennium, district workshops were continued for 208 water-quality non-point source pollution control, resulting in all districts signing agreements with the water quality management agency. Funds resulting from legislative appropriations were disbursed to the districts to enable them to fund activities relating to the Streambed and Land Preservation Act, Resource Conservation, etc.

An environmental impact statement on range management in the Beaverhead Bureau of Land Management (BLM) district was prepared through coordination of the Rangeland Program of the BLM and the Montana Department of State Lands.

The primary benefit of the Sediment Control Program during 1978 was demonstration to the public that a conservation district (in this case, the Lewis and Clark County Conservation District) can formulate and obtain voter approval of ordinances providing for increased control of sediment-caused damage.

Information was provided to the Montana Resources Committee and to the county range leaders for administering the Rangeland Resources Act. The Rangeland Resources Program also assisted in organizing youth range camps, county rangeland inventories, range tours, fair displays and cost-sharing programs for range developments. Range management planning was promoted, and the number of acres of range being plowed for crops was monitored. Efforts were coordinated between the Montana Rangeland Resources Program and the Old West Regional Range Program. Assistance was given in preparing a formal memorandum of understanding between the agencies named in the Montana Rangeland Resources Act; this work is still in progress. County range leaders were assisted in preparing rangeland inventories and organizing county range committees.

Several small watershed projects received assistance, and construction continued on four other projects for which planning assistance had been provided by DNRC's Watershed Planning Program. Applications were received and planning started for three more projects.

Under the Cooperative State Grazing Districts Program, BLM grazing studies were monitored and information provided to ranchers. In addition, the related BLM program to prepare allotment management plans for all BLM permittees was monitored. Grazing districts involved with the U.S. Fish and Wildlife Service concerning the C.M. Russell Wildlife Refuge were given counseling and technical assistance. A meeting was held with the directors of the Waterloo Grazing District to discuss game problems and possible dissolution of the district. No final action has been taken, although hearings have been held.

Approval was given by the legislature for Renewable Resource Development funds to correct saline seeps in the Triangle area, and to initiate a Range Resource Development loan program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Conservation districts should develop renewable resource projects and apply for Renewable Resource Development Program (RRD) funding for those projects, which would result in improved range condition and more efficient water-management practices.

Prime agricultural lands should be identified, and, in cooperation with state and federal agencies, all crop and rangeland should be considered by conservation districts in land use planning. Resulting benefits would be soil conservation, primarily through the maintenance of prime agricultural lands in agricultural uses. Long range conservation plans prepared in each

district should encourage sediment control, best management practices, and preservation of prime lands for cropping and grazing, and discourage cultivation of marginal lands.

The Soil Conservation Service should be encouraged to expand its Great Plains Program to all counties in the state, and the Agricultural Stabilization and Conservation Service should be encouraged to cost-share on plans for rest-rotation grazing systems.

Conservation districts should be assisted in identifying off-stream storage sites as requested by the legislature, and also making water reservations and planning future development on potential sites. Providing storage at some feasible and environmentally acceptable sites would benefit the state by providing, during times of low streamflow, water to irrigate land, maintain water quality, and preserve fisheries and wildlife habitat.

To carry out the responsibilities of DNRC's Conservation Districts Division, and particularly because of the expiration of the Old West Regional Range Program in early 1979, an additional field representative is needed to work in the eastern Montana area. Also, more funds for travel are needed if adequate assistance is to be given to conservation districts.

WATER RESOURCES PROGRAM Disbursements: FY 78 \$2,409,193
FY 79 \$2,814,442

PROGRAM DESCRIPTION: The Water Resources Program of the Department of Natural Resources and Conservation constitutes a broad array of responsibilities and services to the citizens of Montana associated with the uses, development and protection of Montana's water.

1. Water Planning. (Title 85, Chapter 1, MCA.) The overall objective of the Water Resources Program is to guide the use of water resources within the state. The program is responsible for ensuring that Montana's interests are represented in interstate compact negotiations, international water apportionment activities, national water policy, and federal water resources programs and projects conducted in Montana. The program projects future water requirements, formulates plans and alternatives, identifies water storage needs and projects, evaluates effects of varying levels of water use, and recommends methods of implementation of water resource programs and projects.
2. Water Rights. The Water Resources Program implements Article IV of the Montana Constitution and the Montana Water Use Act of 1973, which provide that any water use is a public use and that waters in the state are the property of the state, for the use of the people, and are subject to appropriation for beneficial use. Existing water rights are to be confirmed through court adjudications, a permit system is administered for new appropriations, and all water rights records are being centralized.

The Water Resources Program is also responsible for the administration of Senate Bill 76 passed by the Forty-Sixth Montana Legislature. This new act establishes a division water court system to adjudicate all

existing water rights in Montana claimed prior to July 1, 1973, with certain exceptions.

3. Water Projects (Title 85, Chapter 1, MCA). The Water Resources Program is charged with administering over 40 state-owned water conservation projects. The objective of these projects is to enhance beneficial uses of water, improve environmental quality, and establish engineering projects and services necessary for water-related programs.
4. Floodplain Management (Title 76, Chapter 3, MCA). The primary responsibility of the Floodplain Management Program is to determine 100-year frequency floodway and floodplain boundaries for all streams in Montana, and to manage and regulate floodprone lands and waters to prevent or alleviate flood threats to life and property. As the state's coordinating agent for the Department of Housing and Urban Development Federal Flood Insurance Program, the Floodplain Management Program assists local political subdivisions in meeting flood insurance eligibility requirements.
5. Dam Safety (Title 83, Chapter 15, MCA). The Water Resources Program administers federal and state programs for the safety inspection and inventory of federal, state and private dams.
6. Renewable Resources and Technical Assistance (Title 90, Chapter 2, MCA.) The Water Resources Program provides technical assistance to sponsors of proposed water development and renewable resources projects and implements the Renewable Resource Development (RRD) Act. Technical assistance is provided to local groups through the preparation of preliminary feasibility reports. The RRD program invests coal severance funds in Montana's renewable resources, either through direct grants or as security for the issuance of state revenue bonds.

The Water Resources Program reviews all applications for Renewable Resource loans and grants and makes recommendations to the legislature. When RRD grants are awarded by the legislature, the Water Resources Program administers the grants to insure proper execution of legislative intent.

7. High Plains Cooperative Program. The High Plains Cooperative Program (HIPLEX), a joint venture between Montana and the Office of Atmospheric Water Resources Management of the U.S. Bureau of Reclamation, is coordinated through the Water Resources Division. HIPLEX is designed to develop the technology for increasing spring and summer rainfall over the semi-arid northern high plains, for the benefit of agricultural production. Montana has participated in research, in the operation of an extensive network of solar powered-telemeterized weather stations in eastern Montana, in an informational program on HIPLEX research, and in the analysis of meteorological and climatological data associated with the project.

PROGRAM BENEFITS:

1. Water Planning - A report on potential off-stream reservoir sites in the Big Hole River Basin was prepared by the Water Resources Division and submitted to the Forty-Sixth Legislature. A study requested by the legislature on storage options, water marketing and water quality on the Tongue and Powder river basins was submitted to the Forty-Sixth session. Subsequently, the legislature requested the Water Resources Division to complete further studies which may lead to the construction of a new dam on the Tongue River.

Participation in the activities of the International Poplar River Water Quality Board ensured an objective analysis of the effects of Canadian coal conversion on water quality in Montana.

The state's interests were represented in studies sponsored by the Pacific Northwest River Basin Commission and the Missouri River Basin Commission, and useful information on potential impacts was collected.

Water Planning Bureau leadership in the Upper Missouri Level B study will help to guide water use in the largest major drainage basis in the state. The bureau is working with the Soil Conservation Service on a study to evaluate the potential for irrigation development in the Upper Missouri Basin.

Water planning activities included formal hearings and subsequent recommendations on water reservation applications in the Yellowstone River Basin in excess of the average annual flow of the river.

Montana's participation in the Western State Water Council, the Missouri River Basin Commission, the Pacific Northwest River Basin Commission, and the Interstate Conference on Water Problems has resulted in several recommendations to the U.S. Water Resources Council, the Administration and the Congress. State and regional priorities for water resources programs and projects were set in cooperation with the River Basin commissions; regional water plans were made and funding acquired for a water plan for Montana's portions of the Missouri River. International negotiations on apportionment of the Poplar River between Canada and the United States were continued. Coordination with local interests regarding a multi-purpose water storage project recommended in the Flathead River Basin Plan led to a local application for a renewable resource development grant to partially fund the project. A report entitled "Clark Fork of the Columbia River Basin - A Cooperative Study" (June 1978), describing the alternatives for water resource development and protection in that basin, was prepared in cooperation with the U.S. Department of Agriculture. An assessment of water availability for energy production in the Yellowstone Basin was completed in cooperation with the Missouri River Basin Commission, and a similar assessment for the Columbia River has been initiated with the Pacific Northwest River Basins Commission.

2. Water Rights - The program protects existing or prior water rights through the granting, modifying, or denying of applications for new water or changes of existing water rights.

During the 1979 Biennium, the Water Rights Program received 2,277 applications for Beneficial Water Use Permits and issued 1,886 permits; because of a decrease in the number of applications submitted, a backlog of applications could be processed. The program received 7,925 Notices of Completion of Groundwater Development and issued 6,022 Certificates of Water Right. All records are being microfilmed and computerized. Field collection of data and recommendations for the adjudication of existing water rights (in use prior to July 1, 1973) of the Powder River Basin was completed for 7,986 declarations, with approximately 25 percent remaining to be completed by July 1, 1980. Water rights field offices were established in Missoula, Havre, and Lewistown to improve service to the public for making and processing applications.

3. Water Projects - A report on potential hydroelectric power for state-owned dams (January 1978) was prepared. Construction projects completed during FY 1978 include a new headworks for Livingston Ditch and several water control structures on the Daly Ditches projects. The largest flood of record occurred at the Tongue River Dam, with subsequent damage to the structure. A preliminary design for enlarging and improving the Cooney spillway was completed. A four-year program was begun to inspect all dams in the state whose failure could cause loss of life.

During FY 1979 the Water Resources Division helped prepare the Cooney rehabilitation report and loan application, assisted in passage of HB 894 (Cooney Rehabilitation) by the Forty-Sixth Legislature, passage of HB 841 (High Tongue Studies), the design of flood damage repairs at Tongue River Dam, and the Tongue River flood watch of 1978.

4. Floodplain Management - During the biennium, a floodplain delineation study was completed for the Upper Stillwater River, and public hearings were conducted on completed floodplain delineation studies for major streams in Silver Bow County. A number of flood insurance studies were completed, with 26 communities becoming eligible for the National Flood Insurance Program, bringing the total number of Montana communities participating to 90. Cascade County floodplain regulations were administered by the Water Resources Program through the end of the biennium, when enforcement was provided by the Cascade County commissioners.
5. Dam Safety - In January 1978, the Water Resources Division became responsible for the National Dam Safety Program in Montana under which thirty-eight dams have undergone intensive safety investigation, with final reports and recommendations completed for some; 1,161 dam sites have been inventoried.
6. Renewable Resources Development and Technical Assistance - Grants amounting to \$3 million, approved by the legislature, covering most areas of the state, will benefit irrigation, parks, streams, range, cropland, and forests.

Technical assistance has been provided to proposed water development projects and the RRD Program; four prefeasibility reports were completed.

A review of the water resource program of the Department needs to be conducted to evaluate the effectiveness of those programs, assess ways to more closely coordinate with the other groups and agencies, and to establish an overall water resource policy for the Department. This is now being done through a water policy review in conjunction with a newly created Water Policy Review Advisory Council consisting of 13 members. Specific recommendations will result from this review.

FOREST RESOURCES PROGRAM Disbursements: FY 78 \$5,791,194
FY 79 \$4,570,569

PROGRAM DESCRIPTION: The Forest Resources Program is concerned with the management and protection of Montana forests, especially those owned by the state or held in trust for the support of education.

The fire management phase provides direct fire control services within forest fire districts and by contract to private landowners, and assists counties in meeting their fire protection responsibilities through cooperative fire control agreements. The program also participates in cost-sharing in the organization, equipment and training of rural fire protection forces.

A multiple-use program is conducted on state-owned forest lands to secure income to school trust funds and increase timber productivity. All forest-resource values are considered in management decisions. Activities include active protection of watershed and youth stands of timber, continuing inventory for planning guidance to improve forest land capability, and proposed consolidation of state-owned forest land into units which could be more easily managed on a sustained yield basis.

Technical skills, demonstrations, and educational guidance are provided to private forest land operations. Utilization and marketing assistance is available to reduce waste, increase efficiency of logging operations and forest product businesses, and increase benefits to local communities.

The forest tree nursery produces and distributes seedling trees and shrubs at a price that encourages such conservation practices as shelterbelts, windbreaks, forest plantings, wildlife cover and reclamation plantings on state and private lands.

Administration of the Fire Hazard Reduction or Management Law assures that the fire hazard created by logging and other forest management operations is reduced by treatment, or that additional protection is provided until the fire hazard is reduced to an acceptable level.

An Insect and disease protection program is carried out in cooperation with the federal government and private landowners. Studies are conducted and measures adopted to prevent and suppress outbreaks of forest insect pests and tree diseases.

An institutional forestry program is carried out in cooperation with the Department of Institutions at the Swan River Youth Forest Camp. Needed forest work is performed and the work potential and skills of young men at the camp are developed through training in the areas of forestry, carpentry, and automotive mechanics.

PROGRAM BENEFITS: Direct fire protection maintains such forest values as timber, grazing, watershed, recreation and aesthetics on 8.5 million acres of state and private forest lands. Cooperative support to an additional 26 counties provides adequate range and forest fire protection on another 28 million acres. Fire protection helps provide an even flow of products from forest and rangelands for the consumer and the forest user.

During 1978, an excess property helicopter was converted for use in attacking forest fires. Use of this helicopter coupled with rapid initial attack probably saved between \$220,000 and \$320,000 in suppression costs on one fire alone. Two initial attack fire stations were relocated onto state owned property to allow helicopter attack operations. Five division employees satisfactorily completed national level firefighting instruction courses. A mobile fire cache has been established at Billings for the support of cooperative fire counties in that area. A lookout tower north of Helena has been instrumental in rapid detection of fires, which reduces total suppression costs. The computer program for forest fire assessment was redrafted to incorporate the latest legislative changes. Fire plans for six new cooperative fire counties were drafted and presented to the legislature.

During the 1979 Biennium, the harvest of 62,307,860 board feet of forest products brought an income of \$5,072,863 to the school trust fund. Special use permits for cabins, homesites, grazing and other uses returned an additional \$101,694 to the school interest and income accounts.

Preliminary work was completed on a system to acquire permanent easements to state forest lands through cost-share agreements with the U.S. Forest Service and other major landowners in areas of intermingled ownership. The system, tentatively approved by the Montana Board of Land Commissioners in FY 1978, will reduce the cost of access and road maintenance, and assure permanent easement to those state lands on which roads are shared.

Forest inventory data collection for state and private forest lands was completed in Flathead, Lake, Lincoln, Sanders, Stillwater, Carbon, Missoula, Mineral, Ravalli, Lewis and Clark, Silver Bow, Madison, Jefferson, Broadwater, Deer Lodge, Granite, Powell, and Beaverhead counties. Data collection was begun in Glacier, Toole, Pondera, Teton, Chouteau, and Cascade counties. In addition, a survey of timber-stand improvement needs on state forest lands is continuing.

Site preparation for natural reseeding was completed on 2,390 acres. In addition, 612 acres were planted and 1,481 acres thinned to improve growth on state-owned forest lands. Artificial seeding by hand was accomplished on 276 acres.

The breeding of genetically superior trees was expanded to the Douglas fir and western larch species through continued participation in the Inland Empire Tree Improvement Cooperative. During 1978, 53 Douglas fir and 30 western larch trees exhibiting superior growth traits were selected; seeds from these trees will be used to establish cooperative orchards for future production of genetically improved tree seed to be used in reforestation of state-owned lands.

Over one million trees and shrubs were produced and distributed each year from the State Forestry Nursery to 1,300 landowners in 56 counties for rural conservation purposes.

During FY 1979, 31 sawmill efficiency analyses and 30 timber harvesting efficiency studies were contracted in an effort to extend Montana's timber supply by improving the harvesting and processing operations.

Some of the potentially most productive timberland in Montana is owned by private individuals. To help these persons manage their lands, DNRC's Forestry Division has a service forestry program, which for each of the last two years assisted over 1,500 small woodland owners.

Insect and disease detection surveys were completed on the 2,134,400 acres of state and private land for which DNRC is responsible. Evaluation of western budworm infestations on 843,920 acres of state and private lands and mountain pine beetle infestation on 500,000 acres of classified state forest lands was completed.

Besides the personal improvement by the individual young men, benefits from the Institutional Forestry Work Program average 5,000 man-days per year of project work, such as road and trail building, firefighting, construction of fire lookouts, carpentry, and timber thinning. The work accomplished has a yearly value of \$145,000 in improvements to state forest land and programs related to its management.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Guidelines should be adopted for forest home development and construction to prevent fires and subsequent property losses. Minimum standards developed by the state could be adopted or expanded and administered by local governments.

Use of helicopters should be expanded to provide early, rapid attack of wildfires, using one helicopter on each of the three direct protection areas. The law enforcement program should be strengthened in fire prevention efforts and to help recover fire suppression expenditures.

Timber-stand improvement activities on state forest lands should be intensified in order to increase timber productivity and future return to the trust funds. An increase in fees charged to purchasers of forest products could bring funding of the Timber Stand Improvement Program to adequate levels.

Other work to be continued includes:

1. Development of a long-term forest land goal through a land management planning program.

2. Consolidation of state forest lands into more manageable units.
3. Salvage to decrease losses of state-owned timber from blowdown, disease and insects (particularly the mountain pine beetle infestation).
4. Acquisition of permanent access to classified state forest land to ensure rapid salvage of timber from damaged stands as well as to invest in future production to increase revenue to the school trust funds.
5. Expansion of the nursery production program to promote reforestation of cutover timberlands and reduce wind erosion on croplands through use of shelterbelts.

Intensify administration of the Fire Hazard Reduction or Management Law to meet the slash fire hazard resulting from increased logging on private lands. Additional personnel are needed.

Encourage intensified management of private nonindustrial forest lands to ensure that an adequate supply of timber is available to meet future needs. Better utilization of Montana's present timber supply should be encouraged.

ENERGY PROGRAM Disbursements: FY 78 \$1,959,194
FY 79 \$1,890,949

PROGRAM DESCRIPTION: On July 1, 1978, the Montana Energy Office merged with the Energy Planning Division of DNRC. The Energy Division has consolidated most of the state's energy programs and is responsible for the following activities:

1. Administration of the Major Facility Siting Act, which provides for comprehensive review of proposals to construct and operate facilities for generating, converting, or transmitting energy in Montana.
2. Administration of the Alternative Renewable Energy Sources Program authorized in 1975 by SB 86. This program awards grants to resident Montana individuals and to organizations for noncommercial projects which research, develop, or demonstrate the use of such renewable energy sources as solar, wind, geothermal, water, and biomass.
3. Development and implementation of Montana's energy conservation program.
4. Coordination of the state emergency fuel allocation and set-aside program.
5. Coordination of plans for an Energy Extension Service in Montana, designed to help small energy users make more efficient use of energy and to convert to renewable energy.

6. Coordination of state solar planning, including participation in the Western Solar Utilization Network (Western SUN), one of four regional solar energy centers for facilitating the commercialization of renewable energy.
7. Assessment of Montana's geothermal resources, and planning for their commercial development.
8. Operation of the Energy Research Clearinghouse which maintains an inventory of energy-related research projects for Montana.

PROGRAM BENEFITS: Program benefits to the public have included evaluation of additional sources of power through the Major Facilities Siting Act, the award of numerous grants under the Alternative Renewable Energy Sources Program, and a concentrated program of conservation measures.

1. Major Facilities Siting - In the 1979 Biennium, several major projects were evaluated under the Major Facilities Siting Act; certificates were issued for four transmission lines and evaluations made on another. Studies continue on a proposed hydroelectric facility.

Environmental impact statements are being prepared on the proposed Northern Tier crude oil pipeline and the proposed Northern Border natural gas pipeline, in compliance with the requirements of the Montana Environmental Policy Act.

2. Alternative Renewable Energy Sources - Under the Alternative Renewable Energy Sources Program, 62 grants totaling \$1,120,473 were issued during the 1979 Biennium. A plan was prepared for fuller development of the program, and a more active public information effort was undertaken.
3. Conservation - Conservation was one of the Energy Division's principal goals during the 1979 Biennium. The division continued to work for the establishment of additional tax incentives for residential energy conservation.

An automated system was designed to process energy consumption data from buildings owned or leased by the State of Montana, and other energy conservation program measures initiated or encouraged, including building standards revision, promotion of car pool/van pool programs, data gathering, and public information programs. A program is underway for energy-use reduction in schools, hospitals, local government buildings, and public care facilities. The Energy Division will administer this two-phase federal program in Montana. The Energy Conservation Manual for state-owned and state-leased buildings is in its third printing.

The Energy Division's Fuel Situation Center took an increasingly important part in the allocation of fuel supplies and the dissemination of fuel availability information during the biennium. By the end of FY 1979, the Fuel Situation Center was inundated with fuel set-aside requests (340 requests were received in June 1979, as

compared with 17 in June 1978), requiring the addition of staff to handle the increased workload. A fuel contingency plan was developed and an Energy Division unit will respond to inquiries, encourage conservation measures, and assess the extent of the state's fuel shortages.

4. Information - The Energy Division studied the establishment of an Energy Extension Service (EES) which is expected to start providing information on conservation and renewable energy to small consumers early in 1980. Inventories of available information sources were made, and a solar financial workshop was held.

The Geothermal Planning Program coordinated by the Energy Division identified geothermal-study sites in Montana that have the best potential for development; information on these sites is being organized for publication and will be released to site owners and potential developers.

The Energy Research Clearinghouse continued to monitor research, a directory of Montana energy research and development projects was published in early 1978, and a search and referral service was provided. Annual editions of Montana Historical Energy Statistics were published, showing energy supply, production, and consumption. The 1978 Montana Energy Almanac was published; it described legislation, policies and programs, and included energy data and energy development plans.

Numerous activities involved energy planning, both state and regional, studies to develop siting criteria, and other concerns.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A better understanding of state and regional energy requirements, supplies and facilities is needed. Montana currently does not have forecasting ability independent of industry. It is recommended that (1) the Energy Division initiate a central energy data and information program, (2) a fuel management and information system be developed to determine the nature and extent of fuel supply disruptions in Montana, (3) areas in Montana unsuitable for energy and coal conversion development continue to be identified to allow the state to make decisions on energy facility siting, and to assist applicants who propose such energy development, (4) research be provided to determine the impact of oil and gas pipelines and transmission lines, (5) the Energy Division obtain and disseminate reliable performance data from completed projects of the Alternative Renewable Energy Sources Program, and (6) more information on energy conservation and renewable energy be made available to Montanans.

AGENCY DESCRIPTION:

The Department provides administrative and clerical services to the 31 boards allocated to the Department for administrative purposes.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department provided an addendum to the Affirmative Action Plan concerning non-discrimination on the basis of handicap, not only for employees, but also in the area of licensure qualifications and examinations. Each current employee has been and all new employees will be provided a copy of the policy statement and complaint procedures. Exit interviews with terminating employees are conducted by the Administrative Officer. All application forms for licensing applicants are reviewed for discriminatory language prior to printing. Applicants for available job opportunities are obtained from the Job Security Division, Department of Labor, and by providing notice of openings with other state departments, women's groups, Indian alliance offices, and other areas of recruitment.

CENTRAL SERVICES PROGRAM Disbursements: FY 78 \$ 93,646
FY 79 \$107,105

PROGRAM DESCRIPTION: The Central Services Program provides budgeting, record keeping, purchasing, accounting, payroll, personnel, and legal services to the 31 individual boards in the most efficient and effective manner possible; adequately staffs the Department to carry out the work required for and on behalf of the boards; disseminates information and forms to the general public, licensees, and board members; provides office space and arranges for board meetings, hearings, and examination sites when requested; provides for a prorata assessment of Department costs on each board, based on man days and operation costs of each board.

PROGRAM BENEFITS: The program provides the required services to the public and 31 individual boards and employees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase the number of boards which provide for reciprocal licensing and reduce the time required to act on applications.

Reduce paperwork in processing of applications.

BOARD OF ABSTRACTERS Disbursements: FY 78 \$3,214
FY 79 \$3,366

PROGRAM DESCRIPTION: The Board of Abstracters insures public safety and welfare against incorrect title abstract; conducts inspections of all new or change of ownership in title plants and assures that all abstract offices are properly maintained; and licenses only qualified and competent abstracters.

PROGRAM BENEFITS: The board inspected six abstract plants to insure the public safety and welfare against incorrect title abstracts; renewed licenses to assure only qualified and competent abstracters were practicing; and resolved one complaint on file concerning an alleged incompetence and bad faith on behalf of a licensee of the board.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Issue one original license and use carbonized renewal in window envelope to expedite renewal process.

Provide for estimated plant inspection in appropriation.

BOARD OF ARCHITECTS Disbursements: FY 78 \$11,333
FY 79 \$14,075

PROGRAM DESCRIPTION: The Board of Architects implements laws covering the granting of the privilege to practice architecture for the purpose of protecting the public from the unprofessional, improper, unauthorized, and unqualified practice of architecture.

PROGRAM BENEFITS: The board revised the laws, rules and regulations to comply with recommendations of the sunset audit report; renewed licenses to assure only qualified and competent architects were practicing; and resolved complaints on file to assure the public safety and welfare against incorrect architectural work. New legislation provides for a public board member in an attempt to better involve the public. The board also now, allows graduates to take the design test before acquiring their three years' experience.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to revise laws, rules and regulations to better comply with the public needs and recommendations of the sunset audit.

Advertise meeting notices in major newspapers to promote public participation.

BOARD OF ATHLETICS Disbursements: FY 78 \$1,508
FY 79 \$2,108

PROGRAM DESCRIPTION: The board of Athletics protects the public from fraud in professional boxing and wrestling events and assures that all contestants are competent and qualified athletes.

PROGRAM BENEFITS: The Board sanctions professional boxing and wrestling events which are in conformance with state laws and regulations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Enact legislation to license boxers and wrestlers. This was proposed in the 1979 Legislature with other amendments to the law, which were killed in committee. It would benefit the board, the public, and the athletes if a license were issued, since that is the only way the board has of certifying whether a boxer or wrestler is eligible to participate. At this time, anyone could be a boxer or wrestler.

Obtain increased funding to adequately enforce the law and rules. With limited appropriations inspections cannot be made at professional boxing and wrestling events.

BOARD OF BARBERS Disbursements: FY 78 \$19,414
FY 79 \$13,862

PROGRAM DESCRIPTION: The Board of Barbers protects the health, safety and welfare of the public by periodic inspections of barber shops in the state, and requires an annual health examination by the licensed barbers; assures the public that licensed barbers meet standards of competency in their practice; and regulates barber colleges in Montana to insure the students of quality instruction.

PROGRAM BENEFITS: The board ensures the public that all barbers are properly licensed and comply with sanitation laws of the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Insure that all barber shops in the state are inspected at least once a year.

Provide a system to insure that all barber college instructors are qualified to teach.

BOARD OF CHIROPRACTORS Disbursements: FY 78 \$6,278
FY 79 \$6,691

PROGRAM DESCRIPTION: The Board of Chiropractors regulates chiropractic activities in Montana by examining and licensing only those who meet the qualifications. The board also monitors the practice of all licensees to assure the public of professional competence in the chiropractic field.

PROGRAM BENEFITS: The board required 10 hours of post-graduate continuing education credits annually to insure the public of continued competence of licensees.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implement registers for record-keeping purposes, and establish a system for recording continuing education credits required for license renewal.

BOARD OF COSMETOLOGISTS Disbursements: FY 78 \$62,196
FY 79 \$67,147

PROGRAM DESCRIPTION: Through regulation, licensing and inspections, the Board of Cosmetologists maintains a constant vigilance in its charge to protect the health, safety and welfare of the public.

PROGRAM BENEFITS: The board monitors training in schools to assure the expertise of licensees in the profession and to guarantee protection to the public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Standardize curriculums of training, examinations and licensing qualifications in all states to enable the board to assure that all out-of-state applicants have received training equivalent to that required by Montana.

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING

BOARD OF DENTISTRY Disbursements: FY 78 \$19,801
FY 79 \$16,853

PROGRAM DESCRIPTION: The Board of Dentistry regulates the profession of dentistry and dental hygiene in Montana by reviewing applications, conducting examinations and monitoring the practice of licensees.

PROGRAM BENEFITS: The board revised the laws, rules and regulations to comply with recommendations of the sunset audit report; renewed licenses to assure only qualified and competent dentists and dental hygienists were practicing; and resolved complaints on file to assure the public safety and welfare against incorrect dental care. New legislation provides for a dental hygienist board member, and Montana now participates in the Western Regional Examining Board for administration of the required practical examination for both dentists and dental hygienists.

STATE ELECTRICAL BOARD Disbursements: FY 78 \$50,366
FY 79 \$42,760

PROGRAM DESCRIPTION: The State Electrical Board assures the public that all persons making electrical installations for others are qualified by training and experience and are properly licensed.

PROGRAM BENEFITS: The board protects the people and property in the state from the danger of electrically caused hazards.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Combine licensing and inspection into one program to facilitate locating unlicensed electricians.

BOARD OF HEARING AID DISPENSERS Disbursements: FY 78 \$2,567
FY 79 \$1,859

PROGRAM DESCRIPTION: Registration and licensing of those persons dispensing hearing aids ensures that the hearing aid dispensers are of good character and, by training and experience, are qualified to dispense hearing aids. The selling and fitting of hearing aids affects the health, safety and welfare of the consuming public.

PROGRAM BENEFITS: Through a thorough written examination, including knowledge of FDA and FTC regulations and a practical examination, the board is assured that only qualified dealers are dispensing hearing aids in Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Require all applicants for examination to serve a one-year traineeship under the direct supervision of a licensed hearing aid dispenser.

BOARD OF HORSE RACING Disbursements: FY 78 \$ 76,773
FY 79 \$100,345

PROGRAM DESCRIPTION: The Board of Horse Racing carries out the laws and rules of racing in the best interests of the betting public and racing

industry. The board provides an opportunity for this industry to grow in Montana and continues to improve the quality of race meets so that the betting public and horse breeders will have confidence in the integrity of all participants.

PROGRAM BENEFITS: The board controls and regulates the operation of race tracks in Montana and enforces and carries out all rules established by the board.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Hire a state racing veterinarian to prevent conflicts of interest between track veterinarians and owners and trainers.

Construct a spinner to assist in photo finishes.

BOARD OF LANDSCAPE ARCHITECTS Disbursements: FY 78 \$6,389
FY 79 \$5,074

PROGRAM DESCRIPTION: The Board of Landscape Architects safeguards life, health and property, and promotes the public welfare by requiring that only properly qualified persons are licensed to practice landscape architecture.

PROGRAM BENEFITS: With the re-establishment of the board by the 1979 Legislature, accompanying publicity in the media resulted in the public becoming more aware that there was a Board of Landscape Architects whose registrants are totally qualified to perform total landscape architectural requirements. Telephone and written inquiries in this area have increased noticeably.

With the board's increased involvement in Region V (national CLARB geographical division) affairs, increased interest in the profession, both by the public and potential applicants, has been shown.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Extend assistance and guidance to interested applicants.

Encourage those applicants who fail to meet established requirements to continue efforts to obtain registration.

BOARD OF MASSAGE THERAPISTS Disbursements: FY 78 \$1,794
FY 79 \$1,677

PROGRAM DESCRIPTION: The Board of Massage Therapists protects the public against uneducated and unskilled persons in this field and from unprofessional conduct by persons licensed to practice massage.

PROGRAM BENEFITS: Because an applicant must meet the board's high standards and requirements to be licensed in Montana, the board has been able to keep many undesirable persons from setting up massage parlors, etc., in the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING

BOARD OF MEDICAL EXAMINERS Disbursements: FY 78 \$85,828
FY 79 \$83,312

PROGRAM DESCRIPTION: The Board of Medical Examiners ensures that the public is properly protected against unprofessional, improper, unauthorized and unqualified practice of medicine and licenses competent physicians to practice medicine, thereby providing for the health needs of the people of Montana. All credentials of physicians, osteopaths, acupuncturists, physical therapists and emergency medical technicians are reviewed by the board to ensure that only those individuals who meet the requirements of the statutes are licensed to practice in Montana.

PROGRAM BENEFITS: Individuals who did not have proper credentials for the practice of medicine, physical therapy, acupuncture or emergency medical technician were not licensed, and therefore the public was protected against improper or incompetent care. The Board reviewed and acted appropriately on all complaints referred to them and took proper disciplinary action. The board also approved, in conjunction with the Optometry Board, a program and examination to educate optometrists in the use of certain drugs that affect the eye.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

BOARD OF MORTICIANS Disbursements: FY 78 \$6,521
FY 79 \$9,055

PROGRAM DESCRIPTION: The Board of Morticians guarantees that those persons working in the field of Mortuary Science meet professional competency requirements and inspects and licenses funeral homes to insure that they meet public health standards as set by state law and rules, which include disclosure statements to protect the public from unscrupulous practices.

PROGRAM BENEFITS: Issuance of an Attorney General's opinion on the trust accounts for pre-need funeral plans resulted in closer observation of the pre-need trust accounts for the protection of the consuming public. The board inspected all the mortuaries in the state to assure compliance with health laws and the disclosure statement and examined those individuals applying for licensure in this state to insure competency to the consuming public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legislation regarding continuing education for each individually licensed mortician to guarantee to the public that morticians are current with health laws and practices.

Legislation for pre-need funeral plan guidelines to protect the consuming public.

BOARD OF NURSING Disbursements: FY 78 \$ 84,309
FY 79 \$115,289

PROGRAM DESCRIPTION: The Board of Nursing has two main functions: licensing and approval of schools. The qualification for licensure are

statutory, and, in addition, the board requires successful writing of the State Board Test Pool Examination. The standards for all nursing programs are set by the board, and approval of the school is determined by compliance with those standards.

PROGRAM BENEFITS: The continued increase in the supply of well-qualified nurses keeping pace with the increasing demands of the public for health care.

The continued work of the volunteer workers in the task force, studying the Nursing Practice Act in preparation for a general revision to be introduced to the 1981 Legislature.

Those schools of nursing complying with the standards set by the board continue to produce quality graduates.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The board could function more effectively if there were two administrations. The separation of the functions into the practical nursing administration and professional nursing administration by statute creates some duplication. The board recommends this matter be dealt with in the next legislature when other amendments are proposed.

So many health occupations impinge on the practice of nursing. At the present time no one has authority to regulate the practice of these occupations. It would be of benefit to the welfare and health of Montana citizens if these were regulated as is the practice of nursing. The board recommends that this be dealt with in the next legislature.

The increasing need for a qualified person to assume some of the functions heretofore considered solely the practice of medicine could be best met by a professional nurse. In most instances, even though the law does not prohibit the registered nurse from filling this need, the medical climate of today continues to request some tangible evidence of competence from the board. The nursing regulation law does not appear to have the authority to stipulate any further qualification than these in the statute. It is recommended that legislation which would allow certification of nurse specialities by board rule be adopted.

BOARD OF NURSING HOME ADMINISTRATORS	Disbursements:	FY 78 \$9,918
		FY 79 \$8,687

PROGRAM DESCRIPTION: The regulation and licensing of Nursing Home Administrators ensures that nursing home administrators are individuals of good character and otherwise suitable by training or experience in the field of institutional administration and are qualified to serve as nursing home administrators.

PROGRAM BENEFITS: The board conducts a continuing study and investigation of nursing home administrators within the state with a view to the improvement of the standards imposed for the licensing of administrators and of procedures and methods for the enforcement of the standards.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop an efficient method for providing licensees with notice of approved hours of continuing educational programs within the state, since twenty-five hours of continuing education is required annually as a prerequisite to their annual license renewal.

BOARD OF OSTEOPATHIC PHYSICIANS Disbursements: FY 78 \$432
FY 79 \$489

PROGRAM DESCRIPTION: The Board of Osteopathic Physicians licenses and regulates the practioneers of osteopathy in accordance with the laws and rules of Montana.

PROGRAM BENEFITS: The board exercises jurisdiction in this health care profession, so that the public may be properly protected by having a responsible state authority to present problems and complaints arising from the unqualified or incompetent practice of osteopathy.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

BOARD OF OPTOMETRISTS Disbursements: FY 78 \$8,122
FY 79 \$8,181

PROGRAM DESCRIPTION: The Board of Optometrists is responsible for protecting the visual health of the people of Montana by insuring that all applicants for licensure are qualified and competent in the optometry field; that optometrists in active practice in the state maintain their competency by regulation in accordance with the statutes and rules; and that optometrists attend continuing educational programs annually.

PROGRAM BENEFITS: The diagnostic drug statute passed in the 1977 Legislature was implemented. A course was conducted by the University of California, Berkeley, in June, 1979, in Great Falls for those optometrists desiring to employ diagnostic drugs in their practice. They also provided recommendations to the Board of Medical Examiners concerning those optometrists who qualified for certificates to employ diagnostic drugs without attendance at the course and passage of the examination in accordance with the statutes and rules.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Sponsor continuing education programs for licensees who must meet the continuing educational requirements. The Montana Optometric Association recently passed a resolution "that no person other than an MOA and/or AOA member be allowed to attend any educational function sponsored by the Montana Optometric Association". With the passage of this resolution, the Board feels it is its obligation to conduct continuing education programs for its licensees.

BOARD OF PHARMACISTS Disbursements: FY 78 \$49,308
FY 79 \$50,603

PROGRAM DESCRIPTION: The Board of Pharmacists effects legislative mandates and decisions pertaining to the practice of pharmacy. This includes licensing of practitioners and control of distribution and dispensing of drugs and medical devices. The board has the duty to interpret those mandates to realize the board's public mission, which is "the protection of the health, safety and welfare of the citizens of Montana".

DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL LICENSING

PROGRAM BENEFITS: The board adopted rules for the mandatory Continuing Education Act to become effective July 1, 1979, for the 1980/1981 renewal period; published a list of controlled substances; increased the number of on-site inspections; and participated with the School of Pharmacy in firming up the Externship Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Update and participate in the recodification of the rules of the board as mandated by the legislature. Participate in the Continuing Education Advisory Council in order to accredit continuing education programs for registered pharmacists.

Initiate a numbering system for certified pharmacies whereby each is assigned a permanent number.

Review and revise all forms used by the board as mandated by the legislature.

Continue to be involved in regional and national decisions affecting the practice of pharmacy in Montana.

Reduce the miles traveled by the board by 10% as directed by the Governor.

BOARD OF PLUMBERS Disbursements: FY 78 \$21,735
FY 79 \$37,838

PROGRAM DESCRIPTION: The Board of Plumbers protects the public from unsuitable plumbing practices by investigation of complaints and adequate examination of applicants to determine their competence, experience and other qualifications.

PROGRAM BENEFITS: The board insures that those persons engaged in the business of plumbing meet the accepted standards of health and sanitation for the proper protection of public health.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Apprentice registration remains a problem of the plumbers in the state; however, this is not controlled by the board, but by another department. It should be increased. Also, there is a need for increased action by county attorneys in cases of unlicensed plumbing work and better reporting on the part of the two licensing inspectors on complaints.

BOARD OF PODIATRY EXAMINERS Disbursements: FY 78 \$ 34
FY 79 \$420

PROGRAM DESCRIPTION: The board of Podiatry Examiners licenses qualified podiatrists and regulates this field in the public interest as prescribed by law. The licensing and regulation is accomplished by qualified professionals.

PROGRAM BENEFITS: The Board monitors new applicants and the practice of podiatrists presently licensed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

BOARD OF PRIVATE INVESTIGATORS Disbursements: FY 78 \$1,370
FY 79 \$2,202

PROGRAM DESCRIPTION: The Board of Private Investigators provides for licensure and regulation of those persons engaged in investigation, patrol and alarm operations in the private sector and implements the law as written so the public may have confidence and trust in the individuals licensed. People licensed in this field have access to homes, business concerns, and information which requires that the licensed individuals meet specific requirements and standards to properly protect the consumer of these services.

PROGRAM BENEFITS: The board impacts upon the whole security field and upon the conduct of individuals licensed because they know that they are responsible for their actions and performance of duties.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide penalty for late renewal.

BOARD OF PROFESSIONAL ENGINEERS

AND LAND SURVEYORS Disbursements: FY 78 \$43,847
FY 79 \$51,787

PROGRAM DESCRIPTION: The Board of Professional Engineers and Land Surveyors is charged to safeguard life, health and property, and to promote public welfare by endeavoring to assure that only qualified applicants become licensed. Simultaneously, it remains constantly vigilant, regulating the practice of engineering and land surveying by registered professionals. Seeking more advanced techniques in education, regulation and examination is the constant responsibility of the board, as well as investigating complaints against registrants.

PROGRAM BENEFITS: Specifically, more intensive attention was directed to possible violators, principally unlicensed individuals representing themselves as registrants. Three such cases were discovered and promptly resolved. Such publicity has alerted several other potential offenders. Also, the board made itself more accessible to applicants whose qualifications were deficient, offering personal assistance in the course of action required to attain eligibility. The board established the examination of Canadian applicants, enabling them to become registered in Montana under NCEE standards; and effectively expedited the complaint process.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Encourage more graduating seniors in the colleges to take the EIT examination before they graduate, then seriously plan to begin professional registration within the required 4-year period.

Encourage the public to contact this office when they believe they may have a complaint against a registrant.

Maintain a close relationship with the technical schools who offer basic land surveying curricula, assisting them to refine their courses to the requirements of state law.

BOARD OF PSYCHOLOGISTS Disbursements: FY 78 \$3,320
FY 79 \$6,460

PROGRAM DESCRIPTION: The Board of Psychologists licenses psychologists by national examination, insures that the high standards of the law are carried out, and protects the public against persons who would cause irreparable harm.

PROGRAM BENEFITS: Several people listed as counselors were checked and asked to desist from practice since they were not a member of a recognized association and therefore not qualified to be listed as a counselor. Several psychologists who were reported working outside their area of competence were checked and warned that without direct supervision of a clinical psychologist, they were unable to work outside their areas under penalty of board action.

The board has also been concerned with schools who are issuing psychology Ph.D.'s to persons who are not qualified to work outside a school or educational setting - listing them as qualified to work in other areas.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Improvement needs to be made in the time span necessary to determine if a person is qualified by reciprocity and/or examination. This will help each candidate know where he stands and how to proceed in job application, moving, etc.

BOARD OF PUBLIC ACCOUNTANTS Disbursements: FY 78 \$48,341
FY 79 \$50,486

PROGRAM DESCRIPTION: The Board of Public Accountants administers the uniform CPA examination and processes licensing for all qualified applicants who pass the exam and meet all other requirements; licenses those individuals who apply for Montana licensure by reciprocity from another state, providing that such persons meet all other requirements; and regulates its own profession by investigating complaints submitted.

PROGRAM BENEFITS: Specific benefits to the general public during the 1979 Biennium were the development of a new accountancy law, which includes mandatory continuing education for all licensees, inclusion of a lay member on the board, deletion of citizenship and residency requirements for CPA applicants and repeal of outdated laws.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Amendment on licensure requirements for LPAs as to residency and citizenship.

Further consideration of two-tier licensing so that those who pass the CPA exam can be issued a certificate that is different from a license to practice and is not subject to surrender to the board.

BOARD OF RADIOLOGIC TECHNOLOGISTS Disbursements: FY 78 \$4,313
FY 79 \$6,577

PROGRAM DESCRIPTION: The legislature declares that the practice of radiologic technolgy affects the public health, safety and welfare and that it is therefore necessary to regulate and control such practices in the

public interest. The purpose of the board is to protect the public from the unprofessional, improper, unauthorized, or unqualified practice of radiologic technology.

PROGRAM BENEFITS: Made the health care professions and the public aware of the danger of radiation overexposure, resulting in training programs for X-ray personnel, giving needed attention to positioning, exposure, dark room procedures and patient safety.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Use of a national exam for licensure as a radiologic technologist and a better exam with practical as well as theory sections for those persons who are professional radiologic technologists.

More training classes for X-ray personnel, particularly those personnel who are taking limited X-rays and have no formal education or training.

Participate in a national program for regulation of 'X-ray personnel, as much public attention is being given to radiation protection.

BOARD OF REALTY REGULATION Disbursements: FY 78 \$124,336
FY 79 \$165,329

PROGRAM DESCRIPTION: It is the purpose of the Board of Realty Regulation, acting under the provision of Section 2-15-1642, MCA, to regulate the licensing of real estate brokers and salesmen. This safeguards the public interest in real estate transactions and requires the maintenance of high standards in ethical practices by all the real estate licensees doing business with the public in the State of Montana. The board registers in-state subdivisions and out-of-state subdivisions. The board investigates complaints from the general public and from the industry itself regarding the conduct of real estate transactions.

PROGRAM BENEFITS: The public benefits from the program by the knowledge that the real estate licensees with whom they did business with in real estate transactions were required to pass a written exam to show proficiency in real estate functions and by the knowledge that those real estate licensees found to be negligent in handling real estate matters would be required to answer to the Board of Realty Regulation for any violation or wrongdoing regarding a real estate transaction in which they were involved. The public's complaints were all investigated and an answer given complainants regarding the outcome of investigations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The board has recommended that an auditor-investigator be added to the staff to audit every real estate broker trust account to assure that all monies belonging to others are properly handled, documented and accounted for throughout any specific real estate transaction.

A clerk-typist should be added to the staff to assist the licensing division in the constant administrative updating of real estate licensees' personnel files, to assist in the issuing of new licenses, and to assist in any other area of the real estate office backlogged during peak periods, such as license renewal time or examination applications.

The public would be better protected if an auditor-investigator were to audit the trust accounts on a continuing basis, as the real estate brokers would be more likely to keep their trust accounts properly, and the public involved in real estate transactions would be better protected in that the trust monies would be properly accounted for. The auditor could also investigate some complaints in a more timely manner, alleviating some public anxiety regarding the investigation of a complaint that may be backlogged due to understaffing.

The additional clerk-typist would benefit the public in that correspondence to the public would be transmitted in a more timely manner during peak periods in the office when some correspondence has a lesser priority than other functions in the office.

BOARD OF SANITARIANS	Disbursements:	FY 78 \$1,843
		FY 79 \$2,507

PROGRAM DESCRIPTION: The Board of Sanitarians regulates those persons working in the sanitarian field and insures that they are qualified through education and practical experience to serve in the field through testing and educational background verification.

PROGRAM BENEFITS: The board guarantees to the public that those persons working in the field of environmental sanitation were qualified and competent individuals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legislative repeal of sections 37-40-306 and 37-40-307, MCA, as they are obsolete "grandfather" sections. Also legislative change requiring continuing education for sanitarians.

BOARD OF SPEECH PATHOLOGISTS AND AUDIOLOGISTS . . Disbursements:	FY 78 \$4,273
	FY 79 \$3,422

PROGRAM DESCRIPTION: The Board of Speech Pathologists and Audiologists provides regulatory authority over persons offering speech pathology or audiology services in order to protect the public from being misled and from unprofessional conduct; helps insure the highest possible quality speech pathology and audiology services to the communicatively handicapped people of this state; and works with the Special Education Department of the Office of Public Instruction in resolving problems that may arise concerning applicants for licensure.

PROGRAM BENEFITS: Specific benefits to the general public resulting from the operation of the program in the 1979 Biennium were renewals of fully licensed speech pathologists and audiologists who were licensed for the first time in 1976 and 1977, and review and upgrading from provisional or probationary licensure to full licensure status for those who were first licensed in 1976 and 1977, resulting in more qualified licensees available to the public in the areas of speech pathology and audiology, particularly in the public school system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Possible amendment to the board rules and regulations to agree with the anti-trust laws and Supreme Court ruling regarding the Professional Engineers Code of Ethics and how it may affect the Speech Pathologists and Audiologists Code of Ethics in regard to the dispensing of hearing aids.

BOARD OF VETERINARIANS Disbursements: FY 78 \$10,114
FY 79 \$16,770

PROGRAM DESCRIPTION: The goal of the Board of Veterinarians is to provide and assure protection to the public that those persons practicing or commencing to practice veterinary medicine or practice as a veterinary technical in Montana meet educational and professional standards of competence and maintain their competence by regulation in accordance with the statutes and rules in the best interest of the public.

PROGRAM BENEFITS: In FY 1979, the board switched from their own written examination to the National Board Examination. The national exam will provide a uniform exam and one recognized by most other states. It is believed that the national exam will effectively solve problems encountered in the grading and security of their own examination. All applicants for licensure to practice veterinary medicine in Montana must take the National Board Examination and have their score reported through the Interstate Reporting Service.

The board also revised the continuing education rules to allow grace periods for veterinarians unable to fulfill the requirements in the time period allotted by statute. This allows veterinarians in solo practice in isolated areas to attend meetings at more convenient times and allows more latitude in selection of continuing education courses.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Adopt rules through the Administrative Procedures Act to clarify the requirements of the board in regard to examinations and renewals.

BOARD OF WARM AIR HEATING,
VENTILATION AND AIR CONDITIONING Disbursements: FY 78 \$2,132
FY 79 \$3,742

PROGRAM DESCRIPTION: The Board of Warm Air Heating, Ventilation and Air Conditioning ensures that those persons applying for licensure are qualified through examination and experience to do the work for which they are licensed, thus protecting the health and safety of the public.

PROGRAM BENEFITS: The board accomplishments for FY 1978 and FY 1979 were eliminated by a district court restraining order filed in February of 1976 and made permanent in December of 1978. The board was not re-established under the sunset law in the 1979 Legislature, despite a recommendation of the sunset auditors for the board to be continued. Refunds were made to those individuals who had applied for licensure but were never licensed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The individuals working in this field should propose legislation to re-establish some type of control on the work being done in this field.

BOARD OF WATER WELL CONTRACTORS Disbursements: FY 78 \$ 8,700
FY 79 \$15,135

PROGRAM DESCRIPTION: The Board of Water Well Contractors regulates and licenses drillers or makers of water wells and prevents waste of the ground water resources by inefficient or incompetent operations of drillers or makers of water wells.

Also, the board insures that competency in drilling is obtained for the protection of the public and conservation of the underground water resources.

PROGRAM BENEFITS: A court decision re-affirmed the board's rule on supervision, which requires a licensed driller on site at all times the drill rigs are in operation. Investigation of complaints and board action resulted in 9 of the 15 complaints being resolved. The supervision rule has caused more persons working for drilling contractors to take the examination, giving the public a better guarantee of competency in drillers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legislative change in the law to require a driller's license in addition to the contractor's license, and increased enforcement of the board's rule on supervision. These recommendations should help to eliminate complaints by guaranteeing to the public those individuals who are drilling wells and completing them are familiar with drilling techniques and current laws regarding water wells.

DEPARTMENT OF PUBLIC SERVICE REGULATION

AGENCY DESCRIPTION:

The purpose of the Department of Public Service Regulation is the responsible regulation of the public utility, motor carrier, and railroad industries to provide safe, reliable, and adequate services at the lowest achievable cost to the consumers while concurrently providing the regulated industries with a fair and reasonable return on their investment for the services rendered.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Public Service Commission has continued to aggressively advertise openings at the Commission through all available publications and media. Two of four administrator positions, one of two assistant administrator positions, and the position of the Commission's economist were filled by the hiring of women during the 1979 Biennium. Additionally, the small staff of the Public Service Commission has participated actively in most of the meetings which deal with information and implementation of a successful affirmative action program.

PUBLIC SERVICE COMMISSION PROGRAM Disbursements: FY 78 \$827,343
FY 79 \$843,395

PROGRAM DESCRIPTION: The purpose of the Public Service Commission is the responsible regulation of the public utility, motor carrier, and railroad industries to provide safe, reliable, and adequate services at the lowest achievable cost to the consumers, while concurrently providing the regulated industries with a fair and reasonable return on their investment for the services rendered.

PROGRAM BENEFITS: During the 1979 Biennium, the Commission's workload continued to increase. The total number of orders issued by the Public Service Commission in Fiscal Year 1978 was 562 compared with 529 issued in Fiscal Year 1977 and 447 in Fiscal Year 1976. During Fiscal Year 1979, the number of orders issued exploded to a record 760.

The Commission successfully met its policy objective, and subsequent legislative mandate, to issue an order in utility cases within 9 months of filing of a rate application by a public utility. Major cases decided in Fiscal Year 1978 are as follows:

A. Natural Gas

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6564	\$ 4,808,000	\$ 4,772,000
(2) MDU	6532	2,399,955	2,399,955
(3) MDU	6583	(-) 30,851	(-) 30,851
(4) MPC	6454	34,508,803	18,200,000
(5) MDU	6441	2,424,000	774,000

Note: 1, 2, and 3 were cost of gas flow-through hearings.

DEPARTMENT OF PUBLIC SERVICE REGULATION

B. Electric

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6454	\$ 45,400,000	\$ 17,118,000
(2) MDU	6441	2,489,000	1,508,000
(3) PP&L	6517	2,500,000	1,819,000

C. Other

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) Northwestern Tel.	4409	\$ 1,181,000	\$ 1,008,086
(2) City of Helena	6498	410,000	300,383
(3) Mountain Bell	6496	11,800,000	2,326,000
(4) City of Billings	6542	1,636,000	649,000

Major cases decided in Fiscal Year 1979 are as follows:

A. Natural Gas

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6676	\$ 902,559	\$ 902,559
(2) MDU	6567	10,159,773	5,321,652
(3) MDU	6612	229,647	229,647
(4) MDU	6583	(-) 30,851	(-) 30,851
(5) MPC	6618	23,341,780	15,426,000
(6) Great Falls Gas	6502	1,905,113	1,905,113

B. Electric

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6567	\$ 2,312,887	\$ 99,072

C. Telephone

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) Mountain Bell	6496	\$ 11,830,000	\$ 3,097,000

In major rate cases, the Commission denied utilities \$58,682,234 in requested annual increases in Fiscal Year 1978, and \$23,697,716 during Fiscal Year 1979. The smaller cases would add to these totals.

The Consumer Services Representative handled 619 complaints in Fiscal Year 1978 and 929 complaints in Fiscal Year 1979, with total known dollar savings to consumers of \$11,307 and \$12,873, respectively. Along with these dollar savings, prompt utility service and non-monetary assistance were provided to approximately two-thirds of the complaining parties.

Additionally, during an investigation of a complaint, a utility was found to be using a charge not included in their approved tariffs. The Commission determined it was an unlawful charge and, therefore, ordered

refunds in the amounts paid. A total of \$2,617 was refunded to 178 customers on the basis of this finding and the Commission's subsequent order.

During Fiscal Year 1978, the Department trained and supervised 60 G.V.W and 220 Montana Highway Patrol personnel in the enforcement of the rules and regulations of the Montana Public Service Commission as required by Senate Bill 327. This training has resulted in additional fines being imposed on the motor carrier industry of approximately \$10,000 per month. These dollars go to the support of the local school district where the violation occurred.

During Fiscal Year 1979, for the Public Service Commission, G.V.W. and Montana Highway Patrol, the following statistics were reported on Motor Carrier Enforcement:

Total Trucks Checked	-	76,038
Total Citations Issued	-	3,044
Total Revenue Collected	-	\$202,294
Percent of Citations to Trucks Checked	-	4%
Average Bond Received	-	\$66.46

In addition, during an investigation of a motor carrier, it was determined that the carrier was charging in excess of its legal published rate. The Commission ordered the carrier to refund the overcharges, which resulted in \$58,314 being refunded to approximately 350 customers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Adequate staffing continues to be a most serious problem with the Department, despite the addition of six FTEs to the 1979 Biennium budget by the 1977 Legislature. Increased staff is needed in the legal, clerical, auditing, telecommunications, and analytical fields. Litigation of nearly every major case has become a common event.

Additional money is needed to develop a computer capability for the Department's Transportation and Utility divisions. Rapid retrieval of information from annual reports of the regulated industries is an absolute must if the quality of regulation is to improve. Computer programs must be developed which can quickly and accurately evaluate rate cases placed before the Commission.

DEPARTMENT OF REVENUE

AGENCY DESCRIPTION:

The Department of Revenue administers state tax law. Within the scope of this duty, it enforces compliance, collects and accounts for tax revenue, and provides the Governor and legislature with information about the state's tax structure. The Department administers the property assessment program which seeks to assure statewide uniformity in the valuation of property for tax purposes. Finally, the Department administers the state liquor enterprise. (See Title 15, Chapter 1, Part 2, MCA, Section 2-15-1301, MCA, and Title 16, Chapter 1, Part 3, MCA.)

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During the past biennium the Department has eliminated offensive and discriminatory questions from the application form; improved and intensified recruitment efforts of afflicted minority classes; provided upward mobility through the use of training assignments; and formalized many personnel policies and procedures relating to employment with the Department. The Department has, and will maintain, an ongoing effort to effect changes and improvements to its personnel policies and procedures which will enhance efforts to comply with the Freedom from Discrimination Act.

DIRECTOR'S OFFICE PROGRAM Disbursements: FY 78 \$160,466
FY 79 \$173,632

PROGRAM DESCRIPTION: The Director's Office supervises all Department programs in order to assure compliance with legislative, executive and judicial mandates.

AUDIT AND ACCOUNTING PROGRAM Disbursements: FY 78 \$437,264
FY 79 \$453,197

PROGRAM DESCRIPTION: This program provides support for departmental operations in accounting services, internal review, and collection of bad debt receivables. Accounting services include accounts receivable, accounts payable, cashiering and payroll functions.

PROGRAM BENEFITS: This program provides critical support services to other programs in the Department which in turn are supplying a revenue generation mechanism for collection of funds to run state government. This provides service to the general public as requested through the legislature.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: With the exception of the bad debt collection function, the services provided by this program are dependent upon the needs of the other Department programs. Continued growth of workload has rendered it impossible to maintain the service level which has been established in prior years. It is recommended that two additional individuals be added to the clerical staff.

CORPORATION TAX PROGRAM Disbursements: FY 78 \$352,055
FY 79 \$357,698

PROGRAM DESCRIPTION: The Corporation Tax Program is responsible for efficient and equitable administration of Montana corporation license/income tax laws. The program systematically reviews or audits all returns

received, either in the office or at the taxpayer's place of business, to insure that Montana taxable income has properly been determined and that all requisite taxes have been paid.

PROGRAM BENEFITS:

Fiscal Year 1978 - Collected \$29,238,878 from corporation license tax, corporation income tax, penalties and interest.

Collected \$1,601,628 from field audits of 24 multistate corporations; field audit assessments to 28 taxpayers totaled \$1,704,919.

Investigations of corporations not filing Montana corporation tax returns resulted in 43 additional taxpayers and collections in the amount of \$460,939.

Fiscal Year 1979 - Collected \$36,062,608 from corporation license tax, corporation income tax, penalties and interest.

Collected \$2,555,558 from field audits of 27 multistate corporations; field assessments to 36 taxpayers totaled \$4,923,665.

Collected \$695,314 from office audit assessments; 1,935 office audit assessments totaled \$978,369.

Investigation of corporations not filing Montana corporation tax returns resulted in six additional taxpayers and collections in the amount of \$1,672,793.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Responses to taxpayer requests and inquiries must be expedited.

A more efficient system for processing and office auditing tax returns and related documents should be developed and established.

The current effort in working with the Income Tax Division to insure that all individuals who are shareholders in small business corporations are filing proper individual income tax returns should be intensified.

The program of conducting cooperative audits of large corporations with other states should be expanded.

The program's data processing system should be streamlined to reduce audit and clerical time.

The pursuit of non-filers that claim they are not subject to the Montana corporation license tax because of limited business activity within Montana should be intensified.

Specialized technical training programs for the professional development of the audit staff is needed to improve the capabilities and proficiency of the audit staff.

DEPARTMENT OF REVENUE

INCOME TAX PROGRAM Disbursements: FY 78 \$1,087,498
FY 79 \$1,202,488

PROGRAM DESCRIPTION: The Income Tax Division exists for the purpose of administering the laws for the taxation of individual incomes. The income tax laws are found in Title 15, Chapter 30, MCA.

PROGRAM BENEFITS: The Income Tax Program generated a total of \$141,579,132 during the fiscal year ending June 30, 1979. These receipts were divided among the School Equalization Fund, the Long Range Building Fund and the General Fund. Audit activities accounted for over \$3,700,000 of the total. The program provides services to the public through taxpayer assistance offices located in Helena, Billings, Great Falls and Missoula and a toll-free telephone line for areas of the state not covered by an office.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Further simplification of tax forms and corresponding instructions is needed to reduce the burden of filing for the taxpayer and the processing time for the division.

The taxpayer assistance project should be expanded by providing the service in more Montana communities.

Greater emphasis should be placed on compliance to promote a more equitable tax system.

INHERITANCE TAX PROGRAM Disbursements: FY 78 \$120,840
FY 79 \$133,017

PROGRAM DESCRIPTION: The Inheritance Tax Division exists to implement the Inheritance Tax, Unclaimed Property and Escheated Estate statutes: Title 70, Chapter 9 and Title 72, Chapters 13 and 16, MCA.

PROGRAM BENEFITS: Benefits to the general public come from collection of Inheritance Tax, which is deposited in the General Fund; and Unclaimed Property and Escheated Estates, which are deposited in the School Fund.

<u>Net Collections</u>	FY 1979	FY 1978
Inheritance Tax	\$ 6,442,223	\$ 6,304,888
Unclaimed Property	526,171	132,283
Escheated Estates	<u>85,813</u>	<u>77,612</u>
<u>Total Collections</u>	<u>\$ 7,054,207</u>	<u>\$ 6,514,783</u>

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the division publish copies of the Inheritance Tax Law and the inheritance tax regulations. This will inform the general public and interested practitioners of the latest changes in this area.

DEPARTMENT OF REVENUE

INVESTIGATION DIVISION PROGRAM Disbursements: FY 78 \$ 724,399
FY 79 \$1,561,507

PROGRAM DESCRIPTION: The Investigation Division investigates complaints of violations and enforces the laws currently being administered by the Department of Revenue. It operates in three major areas: Alcohol Beverage Control, Child Support Enforcement and Welfare Fraud Investigation.

ALCOHOL BEVERAGE CONTROL:

Sub-Program Description: The Investigation Division enforces state law relating to untaxed liquor, illegal ownership of liquor licenses, deceptive business practices and illegal manufacture of distilled spirits.

Sub-Program Benefits: This sub-program strives to insure fair and uniform business practices in the liquor industry, protects consumer interests and insures appropriate tax enforcement. Investigators also train local enforcement personnel agencies and work special events, bolstering local agencies' manpower.

Recommendations for Sub-Program Improvement: The need to secure peace officer status for our investigators for the enforcement of alcohol beverage laws should be clearly identified. New laws related to wine sales need to be effectively enforced. More routine inspections of retail establishments should be conducted.

CHILD SUPPORT ENFORCEMENT:

Sub-Program Description: This sub-program exists to implement the provisions of Title IV-D of the Social Security Act, Child Support and Establishment of Paternity, by enforcing the support obligations owed by absent parents to their children; locating absent parents; establishing paternity; and obtaining child support.

Sub-Program Benefits: In FY 78 the sub-program collected \$883,299, established 68 paternities, and located 1,351 absent parents. In FY 79 the sub-program collected \$1,236,274 in child support.

Recommendations for Sub-Program Improvement: A pilot project should be implemented in one of the child support regions with a caseload of 350 per worker to demonstrate the feasibility of increasing the performance ratio (dollars collected to dollars spent) over that experienced at the current staffing level (700 cases per worker).

WELFARE FRAUD INVESTIGATION:

Sub-Program Description: The Welfare Fraud Investigation sub-program seeks to reduce the incidence of fraudulently obtained public assistance. This unit primarily investigates hard-core welfare fraud cases. The goal in each case is to achieve voluntary repayment or prosecution in District Court. Cases in which criminal prosecution or a voluntary repayment cannot be achieved are returned to the Department of Social and Rehabilitation Services for civil action.

DEPARTMENT OF REVENUE

Sub-Program Benefits: Cases being investigated involve three major categories of public assistance: 1) Aid to Families with Dependent Children, 2) Medical Aid, and 3) Food Stamps. At the present time, the majority of cases being filed result in guilty pleas. The publicity generated by these cases acts as a deterrent.

Recommendations for Sub-Program Improvement: Moving the support function of computing overpayments now handled and controlled by SRS to the Department of Revenue would allow for better control of case flow and development.

LEGAL PROGRAM Disbursements: FY 78 \$186,671
FY 79 \$190,421

PROGRAM DESCRIPTION: The Legal Division of the Department of Revenue exists to assist the eleven divisions of the Department of Revenue and its Director's Office in the administration of the revenue laws of the State of Montana, as codified in Titles 15, 16 and pertinent sections of Title 17, MCA. The Legal Division provides legal counsel for the Department and represents other state agencies, through its Collection Section, in the initiation of actions to collect state debts.

PROGRAM BENEFITS: The general public benefits through the Legal Division's efforts in enforcing the revenue laws of the State of Montana, thereby relieving the taxpayers' burden. Other services, such as the legal services provided to the Child Support Enforcement Bureau within the Investigation Division, result in a direct benefit to the Montana citizenry.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Procedures should be established for utilizing paralegal services, thus maximizing attorney manhours devoted to case work and legal counsel to the Department's divisions.

LIQUOR PROGRAM Disbursements: FY 78 \$50,867,452
FY 79 \$40,320,917

PROGRAM DESCRIPTION: Under authority of Chapter 1 - 6, Title 16, MCA, the Liquor Division function is to control the manufacture, sale and distribution of alcoholic beverages within the State of Montana. The Liquor Division is responsible for licensing of beer and wine wholesalers, brewers and retailers; the registration of wineries; and receiving, storage and distribution of distilled spirits and wine from a centrally located warehouse for sale through 146 state retail stores and agencies.

PROGRAM BENEFITS: Through the state store system a variety of alcoholic beverage products are offered to the public at a reasonable price. Revenue from these sales, which is the third largest source of state funds, is utilized to fund the operation of state government. Portions of the tax generated through liquor sales are returned to the communities to fund law enforcement activities and through the Department of Institutions, community-based alcoholic treatment facilities.

DEPARTMENT OF REVENUE

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional full service stores should be established in larger metropolitan areas.

Modern merchandising techniques to improve consumer convenience and service should be implemented.

Computer hardware and software should be acquired to enhance an automatic inventory control and forecasting system. Information booklets should be developed in order to acquaint the public with the operation and to assist potential license applicants with the licensing procedure, thus reducing processing time.

MISCELLANEOUS TAX PROGRAM Disbursements: FY 78 \$254,213
FY 79 \$429,486

PROGRAM DESCRIPTION: The Miscellaneous Tax Program is responsible for the administration and collection of twenty-five state-level licenses and taxes and for the enforcement of the minimum cigarette price law.

PROGRAM BENEFITS: This division was able to administer and collect the following taxes and licenses in FY 1979:

Oil Producers Severance Tax	\$ 7,056,573
Coal Severance Tax	42,048,719
Retail Coal Dealers License Tax	109
Cement and Gypsum License Tax	134,531
Natural Gas Producers Severance Tax	1,151,487
Electrical Energy License Tax	2,523,707
Telephone Companies License Tax	1,634,831
Micaceous Mineral Mines License Tax	10,359
Freight Line Companies License Tax	675,790
Public Contractors Licenses	142,590
Metalliferous Mines License Tax	1,544,518
Sleeping Car Companies License Tax	111,900
Rural Electric and Co-op License Tax	8,870
In-Lieu-Of Taxes	995
Resource Indemnity Trust Tax	2,105,388
Consumer Counsel Tax	310,534
Contractors Gross Receipts Tax	
(not after refunds and credits)	427,821
Interest Earned on Investments	538,741
Store Licenses	298,057
Cigarette Tax	10,996,444
Cigarette Licenses	17,145
Tobacco Products Tax	364,130
Camper Certificates and Decals	13,487
Express Company License Tax	0
Tramway Gross Receipts Tax	10,928

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: An administrative assistant in this program is needed. The addition of the position is necessary to relieve auditors and the division administrator of semi-professional administration duties. At present, auditors are spending considerable time accomplishing pre-audit and post-audit administrative functions; this substantially reduces the time available for professional audit work.

DEPARTMENT OF REVENUE

MOTOR FUELS TAX PROGRAM Disbursements: FY 78 \$362,456
FY 79 \$390,707

PROGRAM DESCRIPTION: The program exists to implement Chapter 70, Title 15, MCA. The division licenses and collects fuel taxes from gasoline distributors, special fuel dealers and special fuel users.

PROGRAM BENEFITS: The general public benefits as the revenue collected is earmarked for construction and improvements of highways, streets and airports. A small percentage of revenue is earmarked for state parks and snowmobile improvements.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Minimum compliance provisions should be provided. The collection of delinquent taxes, penalties and interest needs improvement.

OPERATIONS PROGRAM Disbursements: FY 78 \$276,641
FY 79 \$297,476

PROGRAM DESCRIPTION: The Operations Program exists to provide support services to the divisions of the Department. The program provides service in the areas of personnel, supply, mail processing and word processing.

PROGRAM BENEFITS: Specific benefits to the general public result from providing centralized services for employment inquiries; buying of supplies in quantity; efficient mail distribution; and more efficient use of electronic word processing systems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Two additional positions, one each in the personnel and mail areas, are needed.

By adding an additional position to the personnel section, employee interviewing, affirmative action, classification and policy development could be expedited. This section currently is understaffed. Affirmative action efforts have not been given the proper attention because of the situation.

The mail processing section has added two new functions, mail presorting and United Parcel Service processing, in an effort to reduce mailing costs. It has also experienced approximately a 12% per year increase in the volume of mail handled during each of the past three years. The addition of a new position would allow continuation of current level services, and generate savings for other divisions in excess of the cost of the additional position.

Updating current word processing equipment would provide additional savings to the Department. A larger volume of word processing applications could be handled and completed in less time. This would also help to cut the current high costs and allow more time for composer projects.

PROPERTY ASSESSMENT PROGRAM Disbursements: FY 78 \$8,096,940
FY 79 \$7,069,904

PROGRAM DESCRIPTION: The Property Assessment Program exists for the purpose of appraising, assessing and establishing a taxable valuation for

all property subject to ad valorem property taxation in the State of Montana (Article VIII, Section 3, Constitution of the State of Montana, 1972).

PROGRAM BENEFITS: The Property Assessment Division completed the initial reappraisal cycle for real property and improvements; standardized real property appraisal methods and manuals statewide; administered Homestead Tax Relief to homeowners for the 1977 and 1978 tax years; activated computer-assisted residential appraisal programs in eleven counties; and standardized personal property assessment procedures and record forms, resulting in substantial administrative cost reductions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional counties should be prepared for computer-assisted appraisal programs, and personal property audit program should be expanded for improved inventory reporting and assessments.

RESEARCH AND INFORMATION PROGRAM¹ Disbursements: FY 78 \$749,136
FY 79 \$753,219

PROGRAM DESCRIPTION: The Research and Information Division provides data processing services (data entry, systems design, computer programming) for the Department. It also provides estimates of revenue from tax sources and study of questions concerned with impact on state revenue resulting from legislative action, executive decisions, and changes in economic patterns. It provides fact-finding service, public information concerning Department activities, and generates major statistical reports.

PROGRAM BENEFITS: This program supports the other programs of the Department by giving them the capability of storing and manipulating large quantities of data quickly and cheaply. Among the automated systems developed and maintained are those which process income tax returns, liquor inventories, and corporation license tax returns. The division also compiled and published the Biennial Report of the Department of Revenue, a new version of the Montana Taxpayer's Digest, provided a major study of taxation of financial institutions, and completed fiscal notes on 210 bills during the 1979 Legislative Session.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Econometric models used in projecting tax revenue should be refined, the entire liquor data processing system should be revised and use of point of sale terminals in major retail outlets should be implemented.

A small computer which may be used as both a remote terminal accessing the state's central computer and as a stand alone computer should be obtained. Acquisition of this hardware would allow migration of some of the Department's high priority liquor enterprise applications, allowing more timely service.

¹This program combines the former Data Processing and Research Divisions effective October, 1978. The program expenditures listed are those of the combination.

DEPARTMENT OF REVENUE

HOMESTEAD TAX RELIEF PROGRAM Disbursements: FY 78 \$13,982,256
FY 79 \$10,266,133

PROGRAM DESCRIPTION: This program is established to administer the
Homestead Property Tax Relief Act.

AGENCY DESCRIPTION:

The Office of the Secretary of State, a constitutional office, exists by virtue of the provisions of Section 1, Article VI, Constitution of Montana, to execute the duties prescribed by Section 4(3), Article VI, Constitution of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Office of the Secretary of State has not engaged in any practice contrary to the Freedom from Discrimination Act and has complied with the provisions of the act.

RECORDS MANAGEMENT PROGRAM Disbursements: FY 78 \$410,296
FY 79 \$484,576

PROGRAM DESCRIPTION: The program exists to discharge the duties of the Secretary of State (except those prescribed in the Montana Administrative Procedure Act), imposed by Section 4(3), Article VI, Constitution of Montana.

PROGRAM BENEFITS: The specific benefits to the public resulting from the operation of the program in Fiscal Year 1978 were:

1. The timely execution of the duties of the Secretary of State under the election laws, including:
 - a. Canvass of initiative petitions by the people and certification of petitioned issues for the election ballot.
 - b. Filing of petitions and certificates for nomination of candidates for United States, state, and district offices.
 - c. Preparation and publication of voter information pamphlets on ballot issues and distribution of the pamphlets to the county clerk and recorders.
 - d. Publication of proposed constitutional amendments.
 - e. Organization and certification of primary, general, and special election ballots.
 - f. Conducting the canvass of election returns and certification of the results.
 - g. Publication of the election laws for distribution to county clerk and recorders and the public.
 - h. Maintenance of election records.
 - i. Furnishing election information to the public and election officials.
2. The timely performance of services to the legislature under applicable law, including:

- a. Attendance on the legislature.
- b. Filing of laws enacted by the legislature, resolutions and memorials passed by the legislature, and veto messages of the Governor.
- c. Assignment of session law chapter numbers to laws enacted by the legislature.
- d. Preparation and distribution of copies of enacted laws to the public and state and county offices.
- e. Registration of lobbyists and principals of lobbyists.
- f. Filing applications for copies of legislative proceedings and bills.
- g. Taking custody of the journals and records of official acts of the legislature.
- h. Maintenance of the records of official acts of the legislature.
3. The timely distribution of decisions of the Montana Supreme Court published in the Montana Reports and the maintenance of the record of distribution.
4. The timely performance of services to the executive branch under applicable law, including:
 - a. Attesting under the Great Seal of the State of Montana official acts of the Governor.
 - b. Recording the official acts of the Governor and the executive branch.
 - c. Delivering the Governor's commissions of executive appointments to state offices, boards, councils, and commissions.
 - d. Filing of oaths of office of state officers and members of boards, councils, and commissions.
 - e. Recording official bonds of notaries public.
 - f. Maintenance of the record of official acts of the executive branch.
5. The timely recording of deeds to state property and a variety of miscellaneous documents and maintenance of records of deeds to state land and miscellaneous records.
6. The execution of the duties of the Secretary of State under the corporation law, including;
 - a. Chartering, regulation, and dissolution of private profit and non-profit corporations and business trusts.

- b. Chartering certain public and quasi-public corporations.
- c. Licensing and regulating foreign and alien corporations doing business in the state.
- d. Maintenance of the record established under corporation laws.
- 7. Timely filing of certificates of formation, alteration, and dissolution of limited partnerships and maintenance of the record of limited partnerships.
- 8. Timely recording of trademarks, tradenames, and union labels and maintenance of the record of marks, names and labels.
- 9. Timely recording of geophysical exploration bonds and school textbook bonds, and maintenance of the record of bonds.
- 10. Timely execution of the duties of the Secretary of State as designated statutory agent for service of process under Rule 4(D) of the Montana Rules of Civil Procedure, the Non-Resident Motor Vehicle Act, and the Montana Comprehensive State Insurance Plan and Tort Claims Act, and the maintenance of the appropriate records of receipt of service of process.
- 11. Timely execution of the duties of the Secretary of State under the Uniform Commercial Code, including:
 - a. Filing of financing, amendment, and termination statements and notices of secured transactions.
 - b. Issuing of certificates of information on the record established under the Uniform Commercial Code.
 - c. Maintenance of the record established under the Uniform Commercial Code.
- 12. Timely execution of miscellaneous duties and establishment and maintenance of miscellaneous records required by law.
- 13. Furnishing information and copies from the public records in the custody of the office including the authentication under the Great Seal of the State of Montana of copies of the public record.
- 14. Collection of fees prescribed by law performing the services managed by the program and depositing the collected fees to the General Fund of the state.
- 15. Keeping the Great Seal of the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: For improvement of the program the Secretary of State recommends:

- 1. Allocation to the office of additional space adjacent to the vault area to relieve excessive crowding of employees which precludes efficient work.

2. Allocation of additional space to the office adjacent to the vault area to provide work space for employees presently stationed in the vault area, to return needed vault space to its designed use.
3. Soundproofing the office areas where the noise level because of operation of typewriters precludes telephone use and adversely affects employee efficiency.
4. Installation of improved telephone and intraoffice communications system, to improve access to the office by the public and to improve internal office communications.
5. Conclude reorganization of office staff commenced in Fiscal Year 1978 by upward reclassification of two presently authorized personnel positions to relieve supervisors of minor technical and supervisory duties so supervisors may attend to more critical management problems.
6. Authorization for adding two employees to the staff to meet increased workload and to meet recommendation by the Legislative Auditor for increased promptness in deposit of fees collected by the office.
7. Graduated review and phased implementation of data processing techniques and applications to administration of laws during the 1981 Biennium.
8. Specific and concentrated review under expert direction of needs in office space, personnel, equipment, and procedures to improve record management and relieve demand on storage space.
9. Selective changes in the fees required to be collected by the office to cover cost of administration of the program.

ADMINISTRATIVE CODE PROGRAM Disbursements: FY 78 \$64,366
 FY 79 \$89,776

PROGRAM DESCRIPTION: The program exists to discharge the duties of the Office of the Secretary of State under the Montana Administrative Procedures Act.

PROGRAM BENEFITS: The specific benefits to the public of the program are:

1. Timely filing of rules of state agencies and publication of the rules in the Montana Administrative Register (MAR).
2. Timely publication of rules of state agencies in the Administrative Rules of Montana (ARM).

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT. For the improvement of the program, the Secretary of State recommends:

1. The addition of one employee to the staff to index ARM.
2. A graduated review and phased implementation of data processing techniques and applications to the publication of the ARM and MAR during the 1981 Biennium.

AGENCY DESCRIPTION:

The Department of Social and Rehabilitation Services (SRS) is a multi-function human services agency that provides assistance to the state's citizens who are in need. The Department's services range from public assistance -- including food stamps and medical assistance for the needy -- to the care and training of the developmentally disabled and the physically handicapped. Its primary concern is to encourage people to become self-sufficient and to assist those who cannot do so.

The Department provides service to children and adults who are in danger of abuse or exploitation. It helps blind and partially blind persons become rehabilitated in order to earn a living for themselves and their families and gain self-confidence and independence in their daily lives. SRS also helps senior citizens prepare for retirement, and provides rehabilitation services to promote the restoration of handicapped Montanans to their fullest physical, mental, vocational and social abilities. The Department also helps veterans and their dependents in all matters concerning the Veterans' Administration. Statutory authority for SRS is provided for in 2-15-22, MCA and Title 53, MCA.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In accordance with all applicable state and federal laws, it is the policy of the Department of Social and Rehabilitation Services to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, sex, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, and ex-offender status. To this end, the Department is implementing and will sustain a deliberate commitment to equalize employment opportunities for minorities, women, and handicapped at all levels and in all programs administered by the Department.

Affirmative action to eliminate discrimination on the above named basis (except where religion, age, sex, ex-offender status and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to, employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, receipt of any service or financial aid with respect to their provision, layoff, termination and all other conditions of employment. All applicants for SRS employment will be recruited from the available qualified labor market and employed in accordance with each person's qualifications and abilities. Handicapped persons will be considered for employment on the basis of the person's capacity to perform the particular job applied for and the feasibility of any necessary job accommodation. Periodic reviews will be conducted through integration with the Personnel Data Base System to determine whether the affirmative action plan is achieving its objectives.

To implement Section 504 of the Rehabilitation Act, SRS designated two staff members to coordinate implementation. Self-evaluation of SRS activities concerning "504" implementation was completed within one year by SRS regional managers and other interested persons, including handicapped individuals. The required transition plan was developed, and SRS is in compliance with Section 504. Policies and services do not discriminate against the handicapped. SRS also provides technical assistance to other state departments to help them implement Section 504.

ASSISTANCE PAYMENTS PROGRAM Disbursements: FY 78 \$16,874,143
FY 79 \$19,169,601

PROGRAM DESCRIPTION: The Assistance Payments Program provides aid to needy households to enable them to meet their day-to-day needs. Types of assistance include: Aid to Families with Dependent Children (AFDC), which provides financial and medical assistance to needy families who have children and do not have sufficient means to maintain their households; Food Stamps, which increase the food purchasing power of eligible low-income families by providing them with a food coupon bonus with which to purchase food, based on household size and income; and the Food Distribution Program, which takes food donated by the federal government and distributes it to the Needy Family Feeding Program on Indian reservations, the Senior Citizen Nutrition Program, institutions, group homes and the Youth Summer Camp Program. The Assistance Payments Program receives its statutory authority from the following areas of the Montana Code Annotated: Title 53, Chapter 2, MCA; Title 53, Chapter 3, MCA; Title 53, Chapter 4, Part 2, MCA; 53-4-101, MCA, and 53-6-133, MCA.

PROGRAM BENEFITS: During FY 1978, the AFDC program assisted 6,300 needy Montana families per month with their daily food, clothing and personal needs. In FY 1979, the program aided 6,100 families, which included approximately 13,000 children. Eligibility requirements were improved and updated, i.e., county residency requirements were abandoned, and property limitations were increased to improve program management and to conform with the rising cost of living. The Assistance Payments Bureau was divided into two bureaus, separating the Food Stamp and Food Distribution programs from the AFDC program. Both AFDC and Food Stamp programs are diverse, complex and require detailed administration. By dividing them, the division provides more efficient and specialized supervision and administration to both programs. The new AFDC procedures manual, which provides for more detailed program administration and easier updating of policies, was completed.

The elimination of the purchase price for food stamps during FY 1979 has encouraged more people, particularly the elderly, to participate in the program. The Food Stamp Program has put an average of more than \$850,000 a month into Montana's economy, not only increasing the purchasing power of low-income households, but also helping local food merchants provide a greater demand for goods.

During FY 1978, the Food Distribution Program provided donated foods to 8,514 needy individuals from Indian reservations, 8 Title VII projects, two Title II projects, 18 institutions, and 96 summer camps. During 1979, the amount and types of foods available were increased to provide a more balanced and nutritional diet for participants. In FY 1979, 1,974 needy families (about 8,800 individuals) from Indian reservations, 87 senior citizen centers and 91 summer youth camps were served.

In addition, the economic assistance recovery unit received signed agreements from AFDC and food stamp recipients to repay a total of \$57,000 in welfare overpayments.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Assistance benefits should be increased to offset inflation and keep up with the cost of living. Food stamps should be included in the Income Maintenance System to improve services and more effectively manage the program. This would allow the state to mail food stamps from a central location and reduce travel to the issuing offices for low-income people. Congress will be considering proposals to increase participation of the elderly in the Food Stamp Program for FY 1980. In FY 1980, the Fort Peck Indian Reservation will re-enter the Food Distribution Program. Also, the state will be purchasing new equipment and hiring additional staff for transporting foods to the participating reservations, thereby enhancing efficient operation of the program.

SOCIAL SERVICES PROGRAM Disbursements: FY 78 \$8,369,654
FY 79 \$8,318,489

PROGRAM DESCRIPTION: The program exists to strengthen family unity through comprehensive services to children and families; to provide services to adults to help them live in the least restrictive environment, and to assist them in becoming self-sufficient. The program is responsible for licensing day care centers, foster family homes, group homes and child care agencies. Statutory authority for Social Services is provided for in 53-4, MCA, and 53-5, MCA.

PROGRAM BENEFITS: In FY 1978, the program provided protective services to 2,300 adults and 6,900 children who were in danger of neglect, abuse or exploitation. In FY 1979, protective services were provided to 2,488 adults and 9,457 children.

In FY 1978, Social Services provided foster care services to 1,689 children and 1,042 adults to prevent institutionalization and find placements out of the home when necessary. In FY 1979, foster care services were provided to 301 adults and 1,732 children.

Health-related services were provided to 1,500 adults in FY 1978 and 1,154 adults in FY 1979. Services related to the Early Periodic Screening Diagnosis and Treatment program were provided to 3,900 children in FY 1978 and to 3,042 children in FY 1979.

Homemaker services related to protective services and prevention of institutional services were provided to 275 families and 800 adults in FY 1978 and to 724 children and 1,500 adults in FY 1979.

A total of 2,371 children received day care services in FY 1978 and 2,664 received them in FY 1979.

In FY 1978, Social Services found adoptive placement for 94 children, and for 100 children in FY 1979.

The Work Incentive Program (WIN) helped 1,500 AFDC recipients obtain family planning, day care, counseling, employment-related medical services and transportation in FY 1978 and provided these services to 1,201 WIN participants in FY 1979.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand and enhance the delivery of protective services to adults and children.

Expand the efforts to provide services to divert adults from nursing home placement.

Expand the homemaker services program to assist provision of protective services and other services to adults to enable them to live in their own homes.

ELIGIBILITY DETERMINATION PROGRAM Disbursements: FY 78 \$2,963,750
FY 79 \$3,655,978

PROGRAM DESCRIPTION: The Eligibility Determination Program supervises local county operations regarding the certification of applicants for AFDC, Medical Assistance, food supplements and General Assistance. Statutory authority for eligibility determination is in Title 53, Chapter 2, Part 4, MCA; Title 53, Chapter 2, Part 6, MCA; Title 53, Chapter 3, Part 2, MCA; 53-4-231, MCA; 53-4-232, MCA, and 53-4-233, MCA.

PROGRAM BENEFITS: This program pays the cost of determining and monitoring eligibility for 27,800 cases monthly.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Reduce eligibility determination error rates and improve program administration to assure that only eligible persons receive program benefits.

Provide adequate eligibility staff at the county level to assure prompt and efficient eligibility determination. Adequate staff could be provided more easily if eligibility technicians were removed from the state FTE count because financing is all federal/county.

Develop and provide more individual and group training to accomplish more effective and efficient eligibility determination.

ADMINISTRATIVE AND SUPPORT

SERVICES PROGRAM Disbursements: FY 78 \$2,219,563
FY 79 \$2,323,039

PROGRAM DESCRIPTION: Administrative Services provide the overall direction of the agency. The support services provided by the Centralized Services Division are those services, such as fiscal, audits, data processing, general services and word processing, common to all divisions. It would be impractical for each division to provide for the same services itself. Administrative organization of the Department is provided for in 2-4-201, MCA; 2-15-112, MCA; 2-15-2201, MCA, and 53-2-201, MCA.

PROGRAM BENEFITS: During the biennium, some administrative staff members were transferred to positions in the individual programs in order to work more closely with those programs. The Department's manuals program was developed in order to provide a method of updating program policies and to detail administrative and program procedures. The SRS legal staff was bolstered. As a result, the Department's contracting procedures have been tightened. All contracts are reviewed for legal content by staff attorneys before they are signed.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

The administration devoted a considerable amount of time to developing budgetary priorities for the upcoming biennium.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: In terms of centralized support services, SRS should continue to modernize its systems by replacing as many manual operations as possible with automated techniques. For instance, making on-line data entries into the Statewide Budgeting and Accounting System (SBAS) could improve the Department's operation while reducing costs and manual operations.

In terms of administration, programs could operate more efficiently if SRS encouraged less centralization of control in the director's office to allow the program staff to have more control over their own programs.

MEDICAL ASSISTANCE PROGRAM Disbursements: FY 78 \$50,872,842
FY 79 \$57,899,062

PROGRAM DESCRIPTION: Title XIX of the Social Security Act provides for a program of medical assistance (Medicaid) for needy individuals and families. Montana statutory authority for the program is provided for in 53-6, MCA.

PROGRAM BENEFITS: In compliance with federal Medicaid regulations, eligible individuals and families receive a variety of medical services. In addition to those services required by federal law, Montana's Medicaid program provides a number of other services including drugs, eyeglasses, private duty nursing, in-patient psychiatric care, physical therapy and dental care.

In FY 1979, a major effort was made towards cost containment, while paying an adequate fee for necessary services. In that area, efforts were made to develop a new set of rates for nursing home services.

During FY 1979, the Program Integrity Bureau saved more than \$5,000,000 in the areas of third party liability cost avoidance and postpayment recoveries, provider/recipient fraud abuse deterrence and overpayment recoveries, and estate recoveries.

PROGRAM RECOMMENDATIONS: Efforts to strengthen management procedures should be continued. For example, cost containment of provider services and utilization of fraud/abuse surveillance should be increased. Also, a new Medicaid management information system should be implemented to increase the data capabilities of the program and enhance management controls.

Living alternatives for individuals who do not need the complete services of a nursing home but who are unable to live alone should be designed in order to reduce unnecessary use of nursing homes.

VOCATIONAL REHABILITATION PROGRAM Disbursements: FY 78 \$3,618,356
FY 79 \$4,047,339

PROGRAM DESCRIPTION: This program provides services to vocationally handicapped people of employable age to restore them to gainful employment. Program emphasis is on serving the severely disabled. A diagnostic study

of each individual determines whether or not vocational rehabilitation is required. Other duties of the program are to: (1) insure the effective establishment and utilization of rehabilitation facilities, especially those that are work and evaluation oriented; (2) evaluate the effectiveness of the Vocational Rehabilitation Program in Montana; (3) administer the program for Life Saving Treatment for Chronic Renal Disease with state dollars as provided for in Title 53, Chapter 6, Part 2, MCA; (4) subsidize with state funds extended employment services in workshops and work activity centers as provided in Title 53, Chapter 7, Part 2, MCA. The Vocational Rehabilitation program receives statutory authority from Title 53, Chapter 7, Part 1, MCA.

PROGRAM BENEFITS: During FY 1978, the program returned 1,247 handicapped Montanans to gainful employment. During that year, 4,098 persons were referred for service, with 48% of the clients considered severely disabled. The deaf were among the severely disabled receiving increased vocational rehabilitation services. During FY 1979, the program provided services to 9,300 handicapped people and returned 1,300 of them to gainful employment. A survey was conducted in Yellowstone County to determine the extent and types of disabilities and also to determine unmet needs of the disabled.

In FY 1978, a total of 74 severely disabled individuals participated in extended employment services. In FY 1979, 62 persons participated in the extended employment program, which allowed these citizens to be productive and partially self-supporting. In FY 1978, 80 persons with chronic renal disease received medical treatment from the renal program. In FY 1979, 78 persons were assisted by the program. These were people who had no other resources to pay for the services required to maintain their life.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None

DISABILITY DETERMINATION PROGRAM Disbursements: FY 78 \$715,880
FY 79 \$802,728

PROGRAM DESCRIPTION: The Disability Determination Bureau is responsible for allowance and denial decisions on applications for Social Security disability benefits for Montanans. The primary purpose is to provide money payments to disabled individuals to assist in securing such basic needs as food, clothing, and shelter. Statutory authority is provided for in 53-7-102, MCA; 53-7-103, MCA; and 53-7-105, MCA.

PROGRAM BENEFITS: In FY 1978, 4,635 SSI disabled beneficiaries in Montana received approximately \$7.3 million; 8,709 disabled workers received Social Security disability benefits totalling \$23.7 million. The disability determination programs required disability decisions on 6,704 Montana applications in FY 1978; 22.9% of all applicants were referred to the Rehabilitative Services Division for potential assistance in returning to work.

In FY 1979, 4,696 SSI disabled beneficiaries in Montana received approximately \$7.7 million; 9,680 disabled individuals received Social Security benefits totalling \$25.9 million. A total of 5,855 claims were processed in FY 1979, and 22.4% of all applicants were referred to the Rehabilitative Services Division for potential assistance in returning to work.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Attention will be focused on quality assurance in an effort to reduce the number of appealed decisions by improving medical documentation at the time of the initial decision.

YOUTH DEVELOPMENT PROGRAM Disbursements: FY 78 \$1,043,595
FY 79 \$1,079,954

PROGRAM DESCRIPTION: The Child and Youth Development Bureau is responsible for planning and program development for child and youth services. Planning and program development is provided on the local level by seven local Community Coordinated Child Care programs (4-C's). The planning and developmental services of 4-C's programs are directed at prevention of delinquency, reduction in numbers of youths in need of supervision, and prevention of child abuse and neglect. Statutory authority for the program can be found in 53-4-111, 53-3-113, and 53-4-116, MCA.

PROGRAM BENEFITS: The number of status offenders (youths who have committed a crime that would not be a crime if committed by an adult, i.e. runaways, incorrigibles, truants) committed to secure detention facilities and jails in Montana was reduced by 78% over the biennium.

A joint agreement between SRS and the Montana Board of Crime Control concerning the Montana Youth Justice Council was continued during this biennium. The council was appointed by the Governor in 1975 to execute planning, development, implementation and evaluation of youth services. Under the agreement, the council coordinated the Runaway Youth Act, the Omnibus Crime and Safe Streets Act, the Juvenile Justice Delinquency Prevention Act and Title XX of the Social Security Act.

More than 300 children ages 6-12 who are home alone after school received training on safety, nutrition, play and other aspects of caring for themselves.

Peer counseling programs were begun in six Montana school districts.

Montana Year of the Child activities were initiated.

The H'Mong program in Missoula was implemented to integrate children of Laotian refugees into day care facilities. Also, a downtown day care center was begun in Missoula with the help of several local businesses.

A total of 450 youths was served in 10 Big Brother and Big Sister organizations; 250 runaway youths received services in 4 communities, and 40 youths were treated in group home treatment programs in 4 communities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The joint program between SRS and the Board of Crime Control should be strengthened.

The bureau's youth development efforts should be expanded statewide.

The bureau's 4-C's participation should be expanded to Kalispell and to the northeast section of the state.

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VISUAL SERVICES PROGRAM Disbursements: FY 78 \$717,460
FY 79 \$695,844

PROGRAM DESCRIPTION: The Visual Services Program provides rehabilitation services to blind and visually impaired individuals. They include: medical and vocational diagnosis; physical restoration services; job training; job placement, and follow-up services. The Visual Services Medical (VSM) Program provides necessary eye care for medically indigent Montanans. The Business Enterprise Program aids visually impaired individuals in setting up small businesses. The Mobility and Orientation Program trains blind individuals to travel independently. The Rehabilitation Teaching Program trains visually impaired individuals in daily living skills in order to help them function in their own homes. The program also trains hospital and nursing home personnel in working with blind and visually handicapped patients. Statutory authority for the program can be found in Title 53, Chapter 7, Part 3, MCA.

PROGRAM BENEFITS: In FY 1978, 72 visually handicapped individuals were rehabilitated. Of the total number of rehabilitations, 61% were rehabilitated into employment in 38 different occupations. During FY 1979, Visual Services rehabilitated 75 individuals who were either blind or visually impaired. Of the 75 rehabilitations, 61.1% were placed in 40 different occupations.

Through a federal grant, the Montana Low Vision Clinic served 216 Montanans; of that number, 149 were helped with visual aids.

The Visual Services Division was instrumental in securing a grant for the Montana Association for the Blind to expand their Training Summer Program for the Blind. Data from this program should increase the level of training and ultimately provide for a more comprehensive summer program.

The Visual Services Medical Program served 308 individuals in FY 1978 and 117 in FY 1979. VSM is budgeted at \$50,000 per year. Of this amount, in FY 1979, 52.3% went to doctors; 40.0% to hospitals; 5.1% to prostheses; 2.2% for transportation, and .4% for maintenance.

The Business Enterprise Program supervised 6 facilities in federal and state locations throughout the state in FY 1978 and 5 facilities in FY 1979.

The Rehabilitation Teacher Program provided direct services to 250 visually handicapped individuals and trained 300 hospital and nursing staff members in FY 1978, provided direct services to 260 handicapped individuals, and trained 150 hospital and nursing staff in FY 1979.

The Mobility and Orientation Program trained 40 persons in independent travel techniques in FY 1978 and 67 persons in FY 1979. In addition, 80 hospital and nursing home staff members received training in techniques for caring for the visually impaired in FY 1978, and 25 staff members received training in FY 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expand the Intensive Orientation Program (IOP), which emphasizes independent living.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Combine more roles of professional staff members, especially in rural areas where the caseloads are small. The division has already experimented with this on a small scale. In Glasgow, for instance, the counselor also functions as a rehabilitation teacher.

DEVELOPMENTAL DISABILITIES PROGRAM.Disbursements: FY 78 \$7,647,329
FY 79 \$7,956,395

PROGRAM DESCRIPTION: The Developmental Disabilities Program exists to assure provision of quality services to developmentally disabled citizens in Montana according to 53-20-201, MCA et seq. The program is responsible for people who are mentally retarded, autistic, epileptic, who have cerebral palsy or any other neurological handicapping condition closely related to mental retardation if the disability originated before the person reached the age of 18. A related program is the Developmental Disabilities Planning and Advisory Council, which disbursed \$208,034 in FY 1978 and \$169,482 in FY 1979.

PROGRAM BENEFITS: The Developmental Disabilities Division (DDD) has continued to develop a continuum of services for developmentally disabled adults, and handicapped children and their families. Services provided include: residential services, diagnosis, respite care, and home-based intervention training for children and their parents. These services have enabled clients to be moved from institutions to less restrictive settings and have prevented institutionalization of disabled persons.

Figures representing an unduplicated client count are available through March 1979 -- the first three quarters of the fiscal year. As of March 30, 1979, DDD, through contracts with local non-profit corporations, was providing service to 1,546 individuals -- 1,016 in adult services and 583 in family and child services. During the first three quarters of FY 1978, DDD provided services to 1,436 individuals -- 958 adults and 514 children.

During the 1979 Biennium, DDD improved its staff development training program. With 11 regional clinical trainers and the resources of the Training Resource and Information Center, training and curriculum development was provided to approximately 600 direct care staff during the biennium.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A procedure to implement threshold standards for accreditation from the Joint Commission on the Accreditation of Hospitals (JCAH) should be completed.

To reduce administrative costs and facilitate coordination among programs, each provider contract for FY 1980 was written to include all service components, thus reducing the number of contracts from 137 in FY 1979 to 60 in FY 1980. Further consolidation should be considered.

Continue to explore the use of Title XIX funds for services to previously unserved clients.

Continue reorganization of positions within the division to ensure the most effective delivery of services.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

AGING SERVICES PROGRAM Disbursements: FY 78 \$3,982,468
FY 79 \$4,202,795

PROGRAM DESCRIPTION: The Aging Services Bureau is the state administrative agency for the Aging Services Network, which is designed to enhance individual living situations and prevent early or inappropriate institutionalization of Montana's senior population. Statutory authority for the program is provided for in 53-5-101, MCA et seq.

PROGRAM BENEFITS: The provision of 996,612 nutritious meals (congregate and home-delivered) to senior citizens in FY 1979 and 899,050 in FY 1978.

The provision of 480,984 units of transportation service in FY 1979 and 37,804 in FY 1978.

The provision of 343,816 units of homemaker/chore, home health care in FY 1979 and 51,856 in FY 1978.

Placing 60 senior citizens in the Foster Grandparent Program.

The provision of 364 units of minor home repair services to individual senior citizens in FY 1979 and 291 in FY 1978.

19,968 individual contracts with senior citizens senior centers, nursing homes, Social Security representatives, meals programs and other senior citizens programs throughout the state in FY 1979 and 16,375 in FY 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Montana Aging Services Network should work to develop community "one-stop service centers" that would include such services as senior citizen activities, health screening, adult day care meal service and nutrition education or any multi-disciplinary service that will help senior citizens live independently in their own communities.

VETERANS' AFFAIRS PROGRAM Disbursements: FY 78 \$330,704
FY 79 \$361,268

PROGRAM DESCRIPTION: The Veterans' Affairs Program is charged with the responsibility of administering the affairs of all veterans of the armed forces of the United States, their dependents and beneficiaries who may be entitled to benefits under the laws of the United States and several states thereof. The Veterans' Affairs division is provided for in 2-15-2202, MCA.

PROGRAM BENEFITS: In advising veterans and their dependents of the federal and state benefits available and assisting them with filing for these benefits, 59,204 contacts were made in FY 1978 and 51,932 were made in FY 1979. In FY 1978, 3,335 claims for benefits were filed and 16,672 supporting documents were submitted. In FY 1979, 8,167 claims for benefits were filed and 11,750 supporting documents and 10,071 supporting forms were filed.

The initial dollar return to claimants for compensation, pension, death pension, education, insurance and direct loans amounted to \$5,892,669 in FY 1978 and \$5,849,059 in FY 1979.

As accredited representative of veterans and their dependents before the Veterans' Administration by virtue of the VA Power of Attorney, the Veterans' Affairs Division was empowered to act on behalf of 44,956 veterans and dependents in FY 1978 and 46,136 in FY 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Explore additional methods of providing program services. The area served by the Billings office has the largest veteran population of the state, which has been steadily increasing.

AGENCY DESCRIPTION:

The Department of State Lands' primary functions are to administer the lands granted to the state for the support and benefit of the various state educational institutions and to administer Montana's reclamation laws. The Department of State Lands is provided for in 2-15-320, MCA.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Under the Department's Equal Employment Opportunity Plan steps are taken to:
Identify and eliminate discriminatory practices.

Directly contact "affected class" groups as a regular recruitment procedure.

Submit semi-annual affirmative action status reports to the Equal Employment Opportunity Bureau (June 15 - December 15).

CENTRAL MANAGEMENT PROGRAM Disbursements: FY 78 \$921,249
FY 79 \$905,470

PROGRAM DESCRIPTION: The Central Management Program is charged with providing the necessary administrative services for the Department. The program processes in excess of \$20 million in trust income annually and also issues and maintains surface and mineral leases on 5,000,000 acres of trust lands. The program is responsible for distribution of the interest and income received from lands and investments and for maintaining the permanent fund accounts involving \$100,964,729. The program is also responsible for the preparation of environmental impact studies in accordance with the Montana Environmental Policy Act.

PROGRAM BENEFITS: The program collected and distributed \$24,221,688 in rentals and interest income to the common school and other land grant institutions.

RECLAMATION PROGRAM Disbursements: FY 78 \$363,694
FY 79 \$469,183

PROGRAM DESCRIPTION: The Reclamation Program is responsible for regulating all mining-related disturbances in the state. Specifically, the program administers the Montana Strip and Underground Mine Reclamation Act, the Montana Opencut Mining Act, the Montana Strip and Underground Mine Siting Act, the Montana Coal Conservation Act and legislation regulating hard rock mining. In addition, during 1979, the Reclamation Division administered the initial regulatory program of the Federal Surface Mining Control and Reclamation Act and developed Montana's permanent regulatory program for this same act.

PROGRAM BENEFITS: The Department's Reclamation Program sought to minimize environmental damage caused by mining in the state. By demanding effective mined land reclamation, the Department sought to maintain the long-term utility of surface resources including land utilized for grazing, crop production, timber, watershed, and recreation. Through its regulating

duties, the Department promoted productive land use consistent with a harmonious environmental and constitutional requirement.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The statutory time allowed for permit review under the Opencut Mining Act should be extended in order to more fully comply with the Montana Environmental Policy Act. Sixty days does not allow adequate time to prepare required environmental assessments.

All violations of the Opencut Mining Act should be handled by the State Attorney General instead of the county attorney for the county in which the violation occurred. This would promote more consistent and uniform enforcement of the Opencut Mining Act on a statewide basis.

Research monies are needed to allow the Department to study the cause and mitigation of erosional processes occurring on coal strip mines. Existing reclamation research has not yielded the data necessary to help resolve problems or questions raised in the administration and enforcement of the Montana Strip and Underground Mine Reclamation Act.

Existing vehicles utilized for mine inspections should be replaced by lighter weight models that get better gas mileage.

LAND ADMINISTRATION PROGRAM Disbursements: FY 78 \$169,255
FY 79 \$181,995

PROGRAM DESCRIPTION: The Land Administration Program is charged with the appraisal and reclassification of all state lands by identifying and utilizing multiple-use concepts.

PROGRAM BENEFITS: The program has allowed the Department to secure the optimum advantage to the various institutional trusts through adequate appraisal and land use supervision.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Land Department is rapidly approaching the time when a competent real estate appraiser should be considered. The Department is becoming involved in exchanges and large easements at an accelerated pace. Present staffing leaves little time to adequately protect the interests of the trust.

RESOURCE DEVELOPMENT PROGRAM Disbursements: FY 78 \$162,541
FY 79 \$150,137

PROGRAM DESCRIPTION: The Resource Development Program is responsible for developing and improving state lands to increase revenue for the trust funds, and to restore and preserve state land resources.

PROGRAM BENEFITS: Revenue to the trust fund has been substantially increased by developing irrigation projects and developing stockwater wells on state trust lands. Water rights have been secured on numerous tracts of state lands which will enhance the value of the state tracts for future generations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: To enhance lessee interest in the development of state lands to improve the land and increase the revenue to the School Trust Fund, the Resource Development Program should be expanded to include investments in moveable surface sprinkler equipment as well as permanent improvements.

Expansion of the program in this area would give the Department and the lessee additional flexibility in the development of sprinkler irrigation projects. The options that should be considered are:

1. The state installs the complete project, but leases the surface equipment to the lessee. The lessee would make annual cash payments based on the cost of the surface equipment plus interest; and an annual one-quarter (1/4) crop share payment or minimum cash payment, whichever is greater, to pay for the permanent improvements in the same way it is presently done. At the end of a 10- to 15-year period the lessee would make a final payment, then own the surface equipment. In this way the Department could help the lessees alleviate many of their financial problems occurring because of a short-term leasing situation.
2. The state installs the complete project and leases it to the existing lessee. This option would require that the lessee make a sufficient payment to repay the state's original investment and provide increased income to the School Trust Fund.
3. The state installs the complete project, then leases the entire project to the highest bidder.

SALINE-ALKALI PROGRAM Disbursements: FY 78 \$ 99,331
FY 79 \$ 44,865

PROGRAM DESCRIPTION: The Saline-Alkali Program is responsible for administering funds for research to control and prevent saline-alkali damage to cropland.

PROGRAM BENEFITS: The program provided technical assistance to farm and ranch operators through news media and educational pamphlets for the control of saline-alkali problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The 1977 legislature funded the program at a "phase-out" level. The program is to be terminated as a Department responsibility following the biennium.

AGENCY DESCRIPTION:

The Superintendent of Public Instruction is an elective office established by Section 1, Article VI, of the Constitution of Montana. Section 20-3106, Montana Code Annotated, states that the Superintendent "...has the general supervision of the public schools and districts of the state." House Bill 634, Forty-sixth Legislative Session, 1979, names the Office of the Superintendent as "the sole agency" for vocational education in Montana.

Services in 85 educational program areas are provided to Montana's 168,730 school age children and 10,920 teachers in 584 school districts. The Superintendent's Office provides consulting and technical assistance in educational planning, program implementation and program evaluation in such areas as teacher preparation, teacher certification, school accreditation, school curriculum, school finance and school law. The staff administers a number of federally-funded programs and provides a variety of information services.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

An Equal Employment Opportunity (EEO) officer was appointed for the office; the officer's name and phone number are published periodically in the office newsletter.

Recruitment was begun during FY 1976 for a full-time personnel manager whose duties included implementation of the affirmative action program. This position was filled and the personnel officer implemented the program.

Recruitment and screening procedures were reviewed and revised; the agency job application form and record keeping practices were revised to assure compliance with EEO principles.

Awareness sessions were conducted with all staff members to review the affirmative action program and to explain non-discriminatory employment procedures.

An affirmative action training seminar was conducted for CETA subgrantees (five districts with post-secondary vocational-technical centers) to provide technical assistance needed by center personnel in the writing of affirmative action plans.

Affirmative actions guidelines were issued to implement Section 504 of the Rehabilitation Act. Facilities at the Capitol, 11th Avenue and Washington Street were modified to make them more accessible to the handicapped.

CHIEF STATE SCHOOL OFFICER PROGRAM Disbursements: FY 78 \$755,810
FY 79 \$794,969

PROGRAM DESCRIPTION: The Chief State School Officer provides leadership, direction and coordination of services provided by the agency to a variety of school and public groups. The staff of the Office of Public Instruction provided the Superintendent assistance in performing those duties prescribed specifically for the Superintendent and requiring the Superintendent's personal attention or representation.

PROGRAM BENEFITS: Specific benefits to the public included improved management in special and vocational education through improved pupil and financial accounting systems; a steady supply of information to the public concerning office operations; better communication with educators and citizens through field-based services, needs assessments and other procedures instituted by the Superintendent to establish two-way communication between the staff and the public; program development in federal and state programs more closely related to the needs and interests of people in communities throughout the state; increased citizen involvement in educational decision-making in the office; systematic efforts to reduce "red tape"; and adoption of fuel- and time-saving practices in office operations. Specific accomplishments include the following:

Personnel in this agency, under the direction of the Superintendent of Public Instruction, provided leadership, coordination and guidance for all functions in accordance with goals and objectives of the Superintendent and the statutory and constitutional responsibilities which prescribe parameters for establishing those goals and objectives.

Each year of the biennium the office administrative staff reviewed the staff's progress in accomplishing the Superintendent's objectives and, on the basis of the review, planned the succeeding year's programs.

The administrative structure for vocational education was reorganized to provide greater coordination and increased accountability in secondary and post-secondary programs.

Educational field representatives were appointed to provide technical assistance in administration and curriculum to schools and communities in three field service regions. The field service representatives reside in their respective field service regions.

Copies of Montana Schools, the Superintendent's official newsletter, were distributed to 17,425 educators and persons interested in Montana education each month of the school year.

The Public Information Division maintained a toll-free telephone service, which averaged more than 1,200 calls per month during the biennium.

A committee of distinguished citizens and legislators, with the assistance of staff and consultants from the Northwest Regional Educational Laboratory, completed a study of the School Foundation Program, the state's system for equalizing the tax burden for education. The Superintendent presented the committee's recommendations to various committees of the legislature.

In compliance with a Governor's directive, the Superintendent took steps to reduce fuel consumption for the office by 10%. A more restrictive out-of-state travel policy was adopted.

In cooperation with members of the business community and local school districts, the Superintendent developed and pilot-tested programs in business awareness in elementary and junior high school in Target Range, Conrad, Helena, and Billings Lockwood.

The Superintendent conducted a statewide survey to help estimate the cost of making schools and school programs accessible to physically handicapped students.

Each year the Superintendent presented a conference for school administrators, county superintendents and interested educators. Attendance averaged 500 people per year. During these conferences, speakers of national repute addressed current educational issues. "Competency Testing" was the theme in FY 78; "Long-range Planning" was the theme in FY 79.

The staff conducted a year-long study of paper work requirements for local schools. All office forms were reviewed to eliminate duplication of items. A data collection calendar was developed to keep the number of data requests at a given time as low as possible. A forms management committee was appointed to monitor data collection activities.

Uniform accounting systems for post-secondary vocational-technical centers and special education were developed in consultation with staff of the Northwest Regional Educational Laboratory.

An advisory council appointment policy was implemented by the Superintendent. Such appointments foster participation of citizens from a greater number of communities throughout the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: In the next biennium, staff members will find ways to deliver technical assistance other than by consultant travel to a school. Increased data processing capacity is needed.

EDUCATIONAL SERVICES PROGRAM	Disbursements: FY 78 \$3,442,839
	FY 79 \$3,409,778

PROGRAM DESCRIPTION: Educational Services personnel provided informational, evaluative, planning, data processing and administrative support for basic and vocational programs available in Montana schools at the elementary, secondary and post-secondary levels. Staff members managed state and federal financial resources for schools; assisted school staffs directly through on-site consultation, research, needs assessments, materials development and in-service education; prepared recommendations for school accreditation; and operated a teacher certification program.

PROGRAM BENEFITS: Specific benefits to the general public result from instructional programs adapted to the needs of eligible students and complying to standards established in state and federal law. Educators were provided information necessary to select or devise effective teaching methods. Careful supervision of grant programs helped local administrators meet public demands for fiscal and program accountability. The Office's needs assessment and evaluation procedures provided information for use in adapting programs to local needs or in improving established programs. The staff made a concerted effort to establish data collection procedures which would produce valid and reliable information for the legislature. Specific accomplishments included the following:

Basic Skills Unit

Regional Workshops

The staff conducted a Regional Teacher In-Service Workshop program at 12 sites. More than 5,000 teachers attended.

Teacher Certification

The Teacher Certification Division issued 10,163 certificates during the biennium; microfilmed eight years of certification records; and, in cooperation with teacher education institutions, implemented a project for establishing reciprocity in certification with other states.

Accreditation

The Accreditation Division staff developed criteria for funding seventh and eighth grade programs applying for secondary funding; began a scheduled review of accreditation standards in cooperation with the Board of Public Education and provided technical assistance to schools in implementing Standard 312.2, which provides for individualizing a student's educational program.

Traffic Safety Education

Teachers of safety education were provided advanced training in defensive driving techniques; mobile driving simulators were located permanently at area centers; a bicycle safety program was pilot-tested in a school district.

Consultative Services

Basic Skills Program consultants provided public and school workshops on the educational characteristics and needs of gifted and talented persons; instructed teachers on assessing the readability of instructional materials; helped teachers incorporate lifetime recreation and outdoor education activities in school instructional programs; assisted in the preparation of an alcohol education study guide; provided special training for reading coordinators in 58 school districts; prepared a booklet informing teachers how to improve students' reading through movement education; conducted in-service programs for teaching reading in such content areas as mathematics, science and social studies; assisted school staff in developing scope and sequence in school science and mathematics curricula; conducted a series of in-service education programs on how to improve student writing; provided technical assistance to school districts having an influx of foreign students, mainly of Laotian and Vietnamese descent; conducted a school-community assistance program for the Board of Trustees at Darby; conducted arts surveys and provided in-service education in arts education for elementary and secondary teachers.

Film Library

The State Film Library arranged more than 70,000 film bookings during the biennium. More than 85 percent of school requests for film were honored; more than 90 percent of the films were delivered as scheduled.

General Educational Development Testing

General educational development certificates were awarded to 5,429 candidates during the biennium. This is an increase of 869 or 20 percent more than in the previous biennium.

Adult Basic Education

As a result of state and federal funding, adult basic education is now available at 64 sites throughout the state. Community education awareness conferences were conducted at three sites in FY 78; a statewide planning conference was held in Great Falls in FY 79.

Special Education Unit

Special Education staff provided in-service education for hearing officers and for school staffs preparing individual educational programs for handicapped children. They conducted on-site reviews of 68 school districts and cooperative educational programs for the handicapped. They implemented a pupil- and cost-accounting system and reviewed, on the average, 250 special education program budget requests per year. For the education of handicapped children in Montana schools, they approved the distribution of approximately \$26,000,000 per year for the support of education and related services in 260 programs. They approved another \$2,854,043 to support regional services for handicapped children in rural isolated schools that could not operate appropriate programs for their handicapped children.

Federal Programs Unit

The federal programs staff provided leadership, consultative services and technical assistance to eligible school districts and other educational agencies in planning, developing, implementing, operating and evaluating instructional programs funded through various federal sources. Staff members also monitored federal programs for compliance with the appropriate federal and state statutes and regulation, disbursed funds appropriated by Congress and provided fiscal and program accountability in accordance with the provisions of law.

Elementary and Secondary Education Act, Title I

The federal programs staff provided workshops for administrators, teachers, parents and fiscal personnel regarding ESEA Title I program planning, parent advisory councils, fiscal management and evaluation. Every eligible Title I district received technical assistance through one, and in many cases, a combination of the following methods: on-site visitations, workshops, letters, telephone or personal contact.

A total of \$18,782,486 was approved during the biennium to provide Title I services in Montana schools and state institutions for approximately 13,000 children per year.

Elementary and Secondary Education Act, Title IV

Staff members of the ESEA Title IV Division established four competitive programs to encourage the establishment of educational innovations or the adoption of tested educational practice into Montana schools. A total of \$933,495 was approved for school district projects serving those purposes.

The staff processed and approved more than 400 program applications per year to support schools in their efforts to upgrade library resources, instructional materials and equipment, and guidance and counseling services for a total of \$886,273.

Indian Education

Technical assistance in program planning, implementation and evaluation was provided to schools receiving Johnson O'Malley Act funds as a result of being located on or near Montana's Indian reservations.

The staff provided technical assistance to schools affected by the Indian Studies Law (Sections 75-6129--7132 R.C.M., 1947) and hosted the Montana Indian Education Conference which was attended by approximately 600 persons each year. Conference participants include Indian parents, teachers, administrators and tribal officials.

Bilingual Education

The staff provided technical assistance in public relations, program planning and program evaluation to schools using federal grants to develop English and second language programs for students whose primary language is not English.

Program Services Unit

The Program Services Unit staff provided office staff and school district personnel with technical assistance in program planning, program evaluation, research and information retrieval services.

Montana School Testing Service

Educational test results were provided to more than 350 schools annually through the Montana School Testing Service, a testing program in which schools participate voluntarily. Of the 24,000 students (sixth and eleventh graders) eligible to participate, more than 13,000 participated. Tests in consumer knowledge and consumer mathematics were added to increase tested subject areas to 15.

Educational Information Services/Resource Center

A mini-computer was used to link the Office Resource Center to a series of educational data bases available through the San Mateo, California, Educational Resource Center. This service provided 1,100 reports on educational practices and problems to staff and educators in school districts. Approximately 60 percent of the reports went to people in school districts. The Resource Center staff responded to another 1,600 requests for information retrieval service during the biennium.

Planning, Development and Evaluation

Staff members prepared or assisted in the preparation of 8 to 10 federal grant proposals related to the Superintendent's program objectives each year. Grant requests ranged from \$6,000 to more than \$100,000. Approximately 80 percent of the proposals submitted were funded. Proposals included reading improvement, education of gifted and talented students, community education, bus driver safety education, arts in education, career education and bilingual education. Technical assistance was supplied in the design and analysis of surveys in the arts, community education, nutrition education, school needs in complying with Section 504 of the Rehabilitation Act and public attitudes toward competency testing. With federal funding, research on a model used for evaluating ESEA Title I programs was conducted.

National Diffusion Network

The Educational Service representatives, the staff of the ESEA Title IV Division, and the Program Services staff cooperated to assist teachers in 22 districts in the adoption of effective educational practices made available through the National Diffusion Network.

Special Services

Special Services included administration and technical assistance for programs or activities which serve school functions other than instruction or school populations other than students eligible for Foundation Program or Special Education Program support.

School Food Services

The School Food Services Program staff administered and supervised the child nutrition program and the distribution of foods available to school lunch programs. Average daily participation in school lunch programs exceeded 80,000 students per day. Food and cash exceeding a value of \$15,000,000 were distributed during the biennium. Staff members averaged 130 program reviews per year. In FY 1978, a nutrition education needs assessment was implemented.

Transportation Safety Education

An advanced safety-in-service education program was designed in FY 1978. Bus drivers were encouraged to continually develop skills in defensive driving, pupil management and emergency procedures. A series of workshops

were made available to them. Emphasis was placed on teaching the bus driver to handle a bus safely under hazardous or emergency driving conditions.

Equal Learning Opportunities

Schools were provided technical assistance in their efforts to comply with federal and state acts intended to eliminate discrimination by sex or race. Workshops in Indian studies served 2,400 of the 4,000 teachers needing such instruction as a condition of continuing employment in schools on or near Indian reservations. Technical assistance in evaluating conditions of discrimination by sex or race was provided school personnel in the form of materials produced by the program staff or by on-site consultations.

Comprehensive Employment and Training Act

In FY 1978 the Superintendent subgranted CETA programs in five post-secondary vocational-technical schools, in community colleges and in approved private schools. These programs served the unemployed, the economically disadvantaged and the underemployed. Enrollment in the various programs totaled 2,594 for the year.

Veterans' Education

The Veterans' Education supervisor made regular on-site visits to educational agencies to determine the extent to which programs certified for Veterans' Education met eligibility criteria. With the help of school officials, a record keeping system for student attendance was implemented.

Vocational Education

Administration

Administrative procedures for vocational education were codified and implemented. The Superintendent redesigned the state administrative system for vocational education to provide leadership and supervision for post-secondary and vocational education program operation. The system for evaluating local programs was coordinated with Northwest Accreditation Association visitations. A standardized list of all approved programs and program options was compiled for the post-secondary and vocational-technical centers. Public participation in the development of the state plan for using federal funds was increased through newly instituted involvement and hearing procedures. The design of uniform fiscal, staff and student accounting systems for the five vocational-technical centers was initiated. A vocational education data system designed to relate employer needs to instructional opportunities was developed. School district vocational education program funding requests totaling approximately \$2,400,000 per year were approved.

Consultative Services

Vocational Education consultants implemented a plan for coordination and standardization of curriculum at the vocational-technical centers. They

provided technical assistance in program planning and evaluation in agricultural, consumer, homemaking, trade, industrial, and health occupations and in business education. This technical assistance was given through on-site visitations; in-service education for teachers; curriculum consultation; program planning; provision of instructional materials and operational guidelines, and consultation in the design of programs for handicapped students. The staff also provided assistance to such curriculum-related organizations as the Future Farmers of America (FFA), Future Homemakers of America (FHA) and Distributive Education Clubs of America (DECA). This assistance took the forms of leadership training, publication of newsletters and coordination in organizing and conducting district, state and national conferences. The Human Potentials Consultant conducted workshops for teachers and school administrators to assist them in eliminating sex bias and sex role stereotyping in vocational education programs. This effort included a statewide assessment of the vocational counseling needs of displaced homemakers.

Project VIEW

Counselors, teachers and others providing vocational counseling were supplied a regularly up dated microfilm collection of career information.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Coordination among departmental units serving similar functions should be improved. Staff consultants should increase their service capacity. Management should work to hold the line on costs through travel coordination; use of the radio, the telephone and the computer to transmit information; mail pooling; and economizing on gasoline and utilities use.

DISTRIBUTION TO SCHOOLS PROGRAM	Disbursements: FY 78 \$141,490,017
	FY 79 \$156,196,876

PROGRAM DESCRIPTION: The Distribution to Schools Program is the organizational mechanism within the Office of Public Instruction that allows the separation of funds into administrative/operational or "pass through" categories. "Pass through" monies are those distributed in the form of grants or entitlement funds to support such school district programs as Indian education, adult basic education, school lunches and education for the handicapped. These monies are in addition to public school equalization funds and grants under the provisions of the Elementary and Secondary Education Act.

PROGRAM BENEFITS: The public benefits because local school districts make effective use of the monies distributed to them. The cost of distributing the monies and supervising their use was minimal. The distribution of these funds and the supervision of their use was accomplished at an overhead rate of 3.0 percent for FY 80 and 2.7 percent for FY 79.

MONTANA AGRICULTURAL EXPERIMENT STATION

AGENCY DESCRIPTION:

The Montana Agricultural Experiment Station was established by state statute "to conduct and promote studies, scientific investigations and experiments relating to agriculture natural resources and rural life, and to diffuse information thereby acquired among the people of Montana." The agricultural economy of Montana is highly dependent on an effective program of agricultural research if it is to remain a progressive and viable industry. The state agricultural experiment station, funded by state and federal funds, provides this program of agricultural research in concert with other state experiment stations and the U.S. Department of Agriculture.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State University, in both its employment and admissions policies, is in compliance with the Montana Human Rights Act (Title 64, Chapter 3, RCM 1947). Activities over the past year to achieve compliance with the Human Rights Act and applicable federal legislation include:

- a) revision of recruitment and hiring procedures for both classified and professional employees, effective July 1, 1977;
- b) submission of workforce and utilization analyses, goals and timetables to the Department of Health, Education and Welfare, July 29, 1977;
- c) ongoing dissemination of the University's nondiscrimination policy and affirmative action commitment to prospective applicants for employment and admission, through appropriate official publications and advertising;
- d) internal dissemination of information on the University's equal opportunity and affirmative action policies, and designation of responsible employee for such matters.

(Quoted from letter dated August 19, 1977, from Eleanor Pratt, Acting Affirmative Action Officer, MSU, to Director, Montana Agricultural Experiment Station.)

"Action of the Montana Agricultural Experiment Station is governed by Montana State University policy and activity as stated above. In addition, the Experiment Station's plan for Civil Rights Compliance Review has been found in compliance with Title VI of the Civil Rights Act of 1964 and implementing regulations (federal)."

ORGANIZED RESEARCH PROGRAM Disbursements: FY 78 \$5,118,848
FY 79 \$6,028,781

PROGRAM DESCRIPTION: Organized research is the major program of the Agricultural Experiment Station. All other programs are supportive of organized research and have no other role. The agency description thus becomes the description of this program. The program of organized research is conducted in ten departments and two laboratories on the Montana State University campus, at eight research centers and at numerous farms, ranches and other locations representing different geographic and climatic areas of

the state. More than two hundred research projects involving over eighty scientist years and some three hundred support personnel were conducted over a wide array of problems affecting Montana's agriculture and agricultural resources.

PROGRAM BENEFITS: Research has identified production practices which result in greater efficiency of production of plant and animal commodities. It has identified genetic sources of plant disease resistance and incorporated this resistance into plant varieties to reduce losses. It has identified causes of saline seep and is evaluating preventive practices. Control practices for weeds have been developed and efforts directed toward reducing costs of these controls. Cultural practices to reduce energy usage have been identified and studies are underway to evaluate long-term effects of these practices. More efficient rations have been developed for livestock, including improved nutrient value of local feeds. Vaccines for scours and diseases have been developed and improved. Significant research accomplishments on agricultural natural resources, soil, water and climate, will aid in maintaining a quality environment. Many of the research results are highly applicable to small farm operations. Research in areas of economics, marketing, rural development, recreation, labor, reclamation, and conservation will yield further benefit to Montana's rural communities and the total population.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Needed program improvements fit the following categories: (a) increased technical support, (b) operation funds, (c) capital, (d) facilities, and (e) new programs. A request for budget increase for technical support to increase effectiveness of our scientific staff in the amount of \$80,000 per year was removed from budget requests at an early stage of the 1979-1981 budget process. Personal services funds are becoming critical since the 1979-1981 state-approved budget effectively reduced funds for this category by not allowing for costs of increased benefits and failing to allow for adequate staffing of approved positions. Capital is becoming increasingly acute since there is inadequate funding for nominal replacement (an increase amount of \$300,000 per year is needed). Additional facilities are needed at several locations, with perhaps the most pressing need being greenhouse and research farm facilities for crop research at Bozeman with an estimated cost of about \$1,400,000. With the new and emerging problem facing Montana's agriculture, there are continuing needs for new research programs. The following programs and indicated annual cost are currently needed if new information is to be available when needed in the state: animal disease immunology \$80,000; range beef production \$50,000; cropping system pathology \$50,000; and crop management systems \$60,000.

The following priorities are given to the above items: (1) Personal Services, (2) Capital, (3) Immunology, (4) Beef Production, (5) Cropping System Pathology, (6) Crop Management Systems.

INSTITUTIONAL SUPPORT PROGRAM	Disbursements: FY 78 \$352,262
	FY 79 \$376,466

PROGRAM DESCRIPTION: This category includes all funds expended for activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations. The program provides institutional support for

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the Montana Agricultural Experiment Stations from institutional entities as follows: President's Office, Director of Administration, Business Office, Purchasing, Personnel, Mail, Security of Telephone, Director's Office, Publications and News Services and portions of the Physical Plant including the financial reimbursement to the University for many of these services.

PHYSICAL PLANT PROGRAM Disbursements: FY 78 \$119,550
FY 79 \$127,769

PROGRAM DESCRIPTION: This category includes all expenditures of current funds for the operation and maintenance of physical plant located on the MSU campus. It does not include expenditures for operations established to provide services and maintenance related to campus grounds and facilities. It also includes utilities, property insurance, fire protection, and similar items and provides for reimbursement to the University for provision of the services for the Montana Agricultural Experiment Station.

ACADEMIC SUPPORT PROGRAM Disbursements: FY 78 \$12,371
FY 79 \$15,190

PROGRAM DESCRIPTION: This category includes all funds expended for activities carried out primarily to provide support services that are an integral part of the operations of one of the institution's three primary programs: instruction, research, and public service. It includes the retention, preservation, and display of materials and the provision of services that directly assist the academic functions of the institution.

BOARD OF REGENTS OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Board of Regents is established in Article X of the Montana State Constitution to govern and control the Montana University System. This seven-member board has full power, responsibility and authority to supervise, coordinate, manage and control the Montana University System.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Board of Regents of Higher Education established a nondiscrimination policy (Section 70 of the Policy and Procedures Manual) for the units of the Montana University System, requiring each institution to establish and maintain procedures to ensure nondiscrimination. Inter-unit groups are working under the guidance of staff members from the Commissioner's Office to provide systemwide coordination of affirmative action plans.

GENERAL GOVERNANCE PROGRAM Disbursements: FY 78 \$14,145
FY 79 \$13,744

PROGRAM DESCRIPTION: The objective of this program is to carry out the legal responsibilities assigned the Regents by statutes and the constitution.

PROGRAM BENEFITS: The program fulfills the constitutional intent of providing a separate governing body for the Montana University System.

COMMISSIONER OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Commissioner of Higher Education is the chief administrative officer of the Montana University System. The constitution provides that the Regents appoint the Commissioner and prescribe the powers and duties of the office. The Commissioner's responsibilities include the following: academic planning and curriculum review, budgetary planning and control, provision of legal services to campuses, facilities planning, establishment of labor negotiation and policies and procedures, and coordination of community colleges in accordance with state law and Regent policies.

In addition, the Office of the Commissioner is the designated agency for the Federal 1202 Commission on Post-secondary Education. The Commissioner also administers several programs pertaining to student aid and the Community Service Program.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Board of Regents' policy regarding nondiscrimination states:

1. Each institution of the Montana University System shall establish procedures to ensure that no employment or educational policy or practice exists which is, in its face or in its effect, discriminatory on the basis of race, color, religion, creed, political ideas, sex, age, marital status, physical or mental handicap, national origin, or ancestry except when such considerations are incontrovertibly related to a bona fide occupational or educational requirement.

The Regents have charged the Commissioner of Higher Education with the following specific responsibilities.

2. The Commissioner of Higher Education shall:

- a. provide technical assistance or information as appropriate within the constraints of staff availability;

develop an affirmative action plan consistent with state and federal guidelines to cover employment practices in his office;
- b. maintain a copy of each unit's affirmative action plan, grievance procedure and notification procedure in the central office;

assign a staff person to develop the affirmative action plan for his office, to maintain records related to equal opportunity and to provide periodic assessments of units' affirmative action and equal opportunity efforts;
- c. maintain a copy of each unit's self-evaluation as required by Title IX of the Education Amendments of 1972; and
- d. maintain a file of each unit's EEOG report as required under Section 709C of Title VII of the Civil Rights Act of 1964.

ADMINISTRATION PROGRAM Disbursements: FY 78 \$527,395
FY 79 \$592,053

PROGRAM DESCRIPTION: The Administration Program provides academic planning and curriculum review; makes budgetary recommendations and provides for budgetary review; coordinates the establishment of financial accounting policies and procedures; performs facilities planning and makes recommendations; sets policies and procedures and conducts labor negotiations; maintains and provides legal services for the Montana University System; and coordinates community colleges in accordance with state law and Regent policies. The program also provides the secretariat functions for the Board of Regents.

PROGRAM BENEFITS: The program provides the administrative arm of the Board of Regents so that the Regents can effect the management and control of the Montana University System.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional funds will be required to perform the increasing administrative burden of labor negotiations and personnel management. Over 60 percent of the employees of the Montana University System are now represented by unions. In addition, funds will be required to facilitate the access to programs and facilities by handicapped persons under federal Section 504 regulations and to insure equal opportunity under Title IX regulations particularly.

STUDENT ASSISTANCE PROGRAM Disbursements: FY 78 \$2,840,954
FY 79 \$3,462,467

PROGRAM DESCRIPTION: The Student Services Program consists of the Western Interstate Commission for Higher Education (WICHE) Student Exchange Program which provides educational opportunity for Montana students in the fields of medicine, dentistry, veterinary medicine, optometry, physical therapy, occupational therapy, podiatry and dental hygiene; the cooperative medical program with the University of Washington medical school involving Washington, Alaska, Montana, and Idaho (WAMI); the cooperative dental education agreement with the University of Minnesota; the State Student Incentive Grant (SSIG) program, which provides loan funds to needy students - 50% from federal funds and 50% matching state funds; and the NDSL federal student loan program which provides \$9 in federal matching funds for every dollar of state funds.

PROGRAM BENEFITS: The program provides educational opportunities for Montana students, primarily in the health-related fields, which are not available within the state of Montana. The program also provides loans and grants to students demonstrating financial need.

COMMUNITY COLLEGE ASSISTANCE PROGRAM Disbursements: FY 78 \$1,855,578
FY 79 \$1,992,279

PROGRAM DESCRIPTION: Funds are appropriated by the legislature for the support of Montana's three community colleges. State law provides for a coordinator of community colleges to assist the Board of Regents in carrying out its responsibilities regarding community colleges. Academic programs and community college budgets are subject to the approval of the Board of Regents.

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COMMUNITY SERVICE PROGRAM - TITLE I Disbursements: FY 78 \$ 90,916
FY 79 \$149,923

PROGRAM DESCRIPTION: This federally sponsored program provides special grants to the various post-secondary campuses which are oriented to community service.

PROGRAM BENEFITS: The program provides added financial resources for local community services programs which the state has been unable to finance.

MONTANA LEARNING SERVICES PROGRAM Disbursements: FY 78 \$ 0
FY 79 \$35,255

PROGRAM DESCRIPTION: This federally sponsored program has been assigned to the Commissioner's Office by virtue of gubernatorial designation pursuant to Title IV of the Higher Education Act. The program is designed to provide a central data bank on all educational offerings (both public and private) in the state and to disseminate educational opportunities information throughout Montana.

PROGRAM BENEFITS: The program provides the University System with a valuable communication link with other agencies, particularly the Department of Labor and Industry and Superintendent of Public Instruction. In addition, the program serves the adult learner throughout the state.

COOPERATIVE EXTENSION SERVICE

AGENCY DESCRIPTION:

The Cooperative Extension Service is a branch of Montana State University. Its role is to provide education to Montana residents not enrolled in universities or colleges. It disseminates and encourages practical use of knowledge gained from research performed at Montana State University and other locations.

The Cooperative Extension Service is provided for in 20-25-226(2), MCA.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

All recruitment, hiring, placement, promotion, and performance evaluation procedures were analyzed and found in conformity with Montana State University policies and procedures. All Extension personnel actions are processed through the Personnel Officer's office to assure compliance with MSU policy and procedure.

PUBLIC SERVICE PROGRAM Disbursements: FY 78 \$2,481,065
FY 79 \$2,619,765

PROGRAM DESCRIPTION: The Public Service Program exists to transmit knowledge from Montana State University and other locations of knowledge to Montana residents who are unable to attend academic classes, so that they may use the information to improve efficiency of agricultural production and marketing, human resource development and family living. The service provides special nutrition programs for low income people and promotes a

development program for Montana communities incorporating economic, natural and human resources.

PROGRAM BENEFITS: Farm and ranch operators numbering 19,000 received agricultural and marketing information from 165,000 FY 1978 contacts and 208,000 FY 1979 contacts with Extension personnel. One thousand community development leaders received training and another thousand received help with development projects from 56,000 FY 1978 contacts and 47,000 FY 1979 contacts with Extension personnel. More than 32,000 homemakers received home economics information from 136,000 FY 1978 contacts and 198,000 FY 1979 contacts. A total of 30,400 youth were reached with 273,000 FY 1978 contacts and 202,000 FY 1979 contacts. The nutrition program reached 6,800. A total of 36,000 volunteers provided leadership to the 11,000 youth in organized clubs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provision should be made for the funding of AGNET, a computer-telephone program that is capable of providing information tailored to a specific ranch or other situation, without incurring the cost of sending specialists to the ranch or other location. Funding of additional personnel trained in TV, satellite transmission, and other new, electronic media would enable the Service to disseminate much information to people's homes, saving travel time and cost for receivers as well as the Service.

INSTRUCTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$460,560
FY 79 \$519,838

PROGRAM DESCRIPTION: This program exists to provide planning and executive direction, to provide and promote efficient administrative and logistical services, and provide interface with local, state and federal agencies.

PROGRAM BENEFITS: The benefit is the delivery of the public service educational programs desired by Montana people within the funding and legal restraints placed upon the Service.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

OPERATION AND MAINTENANCE OF

PHYSICAL PLANT PROGRAM Disbursements: FY 78 \$19,480
FY 79 \$22,085

PROGRAM DESCRIPTION: This program exists to operate and maintain the offices and capital equipment.

PROGRAM BENEFITS: The benefit is the delivery of the public service educational programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

EASTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Eastern Montana College is one of six units of the Montana University System. The college offers programs in general education, liberal arts and sciences,

undergraduate and graduate teacher education and professional and vocational programs. The College is committed to the value of lifelong learning and offers these experiences to persons of all ages.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The College has adopted the following policy statement issued by its president and subscribes to it totally:

"Eastern Montana College is committed to a policy of nondiscrimination and equal opportunity for all persons. The Affirmative Action program is designed to insure equal opportunities in employment and educational programs for all, regardless of race, color sex, religion, national origin, age, or physical ability. In addition, Eastern Montana College supports affirmative action for all protected classes, including Vietnam era and disabled veterans, handicapped persons, females, and members of minority groups.

"As a publicly supported institution, Eastern Montana College has a special obligation to implement affirmative action that will result in equal opportunity. Each unit that employs personnel, admits students, or enters into contracts is responsible for implementing Eastern Montana College's commitment to equal opportunity and affirmative action.

"As President, I accept the responsibility for assuring implementation of Affirmative Action programs at Eastern Montana College. The college must continue to pursue the elimination of inequity wherever it exists. I trust that every member of the campus community will share this commitment.

"In order to communicate the College's commitment to equal opportunity and affirmative action, the following is Eastern Montana College's official Equal Opportunity Statement to be used on all college publications:

"Pursuant to Title VI and VII of the Civil Rights Act, Title IX of the Education Amendments, Section 504 of the Rehabilitation Act, Executive Order 11246, and the Montana State Human Rights Act -- Eastern Montana College has a policy of nondiscrimination in employment practices and in admission, access to and conduct of educational programs and activities. Discrimination is prohibited on the basis of race, sex, color, national origin, religion, age, handicap, or marital or parental status. Any student, employee, or applicant for admission or employment may file a discrimination grievance. Inquiries or grievances should be directed to the Equal Opportunity Officer in McMullen 100, phone (406) 657-2278."

The statement of compliance for Equal Opportunity and Nondiscrimination under Titles VI and VII of the Civil Rights Act of 1964 (as amended), Executive Order 11246 (as amended) Title IX of the Educational Amendments of 1972, the Equal Pay Act (as amended), and Section 504 of the Rehabilitation Act of 1973, appears (or will appear) in all announcements, bulletins, application forms, student handbooks, catalogs and bulletins, and all other material used for recruitment of students and employees.

INSTRUCTION PROGRAM Disbursements: FY 78 \$4,233,225
FY 79 \$3,564,465

PROGRAM DESCRIPTION: Instruction is the primary program of the College and includes expenditures for all activities which are part of the College's credit and non-credit course offerings. Expenditures for departmental research and public service are included since they are not separately budgeted.

PROGRAM BENEFITS: The net College enrollment for Fall Quarter, 1978, was 3,450. In June, 1979, there were 486 graduates.

Construction of an addition and the renovation of the existing science building and the addition of a greenhouse were completed during the biennium. These additions and renovations have provided much needed space and equipment for students enrolled in the biological and physical sciences.

The College's academic programs were fully accredited by the Northwest Association of Schools and Colleges and the National Council for Accreditation of Teacher Education. Both groups made campus visitations in October, 1978.

Each of the units of the Montana University System prepared role and scope statements. The Board of Regents granted approval for a Business School at Eastern.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: An equitable budgeting method must be jointly agreed to by the Board of Regents, the Legislature, and the Executive Branch. A budget component to adequately reflect part-time enrollment needs to be incorporated into such a plan.

ORGANIZED RESEARCH PROGRAM

PROGRAM DESCRIPTION: Eastern Montana College is not authorized an Organized Research Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Eastern's faculty does participate in research on an individual basis. The faculty have contributed significantly toward research but have to rely on outside financing. Serious consideration should be given to Eastern's receiving state support for organized research in selected areas.

PUBLIC SERVICE PROGRAM Disbursements: FY 78 \$375,893
FY 79 \$ 2,455

PROGRAM DESCRIPTION: All funds budgeted specifically for public service are expended for activities established primarily to provide noninstructional services beneficial to groups external to the institution.

PROGRAM BENEFITS: The program assists the community and the state in community planning and development, urban planning, professional certification, natural resources, business, education, agriculture, industry, health and recreation.

The expenditure shown above is the College's share of the operation of the Eastern Elementary School - a laboratory school jointly operated by the College and School District No. 2.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: If Eastern Montana College is to be able to actively serve the community and the state, additional funds will be needed. Public Service is now being performed through the generosity of the faculty, staff, and students in the giving of their leisure time. Generally, funds for this program, when available, come from donations.

ACADEMIC SUPPORT PROGRAM Disbursements: FY 78 \$549,723
FY 79 \$649,918

PROGRAM DESCRIPTION: The program provides direct support services to the agency's three primary programs, i.e. Instruction, Research, and Public Service.

PROGRAM BENEFITS: The program provides for the retention, preservation, and display of materials and the provision of services that directly assist the academic functions of the campus.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The "on-line joint circulation library system" proposed to be a cooperative venture with Montana State University and/or the entire system was not funded by the Legislature. It seems nonsensical to have each library in the system maintain generous holdings in all fields. While "on-line circulation systems" are expensive to implement, they are cost effective when analyzing the costs of building separate libraries. "On-line" systems will greatly benefit users - students - while cutting costs over a several year period.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$1,022,175
FY 79 \$ 764,861

PROGRAM DESCRIPTION: Student Services coordinates the functions of admissions, student records, and those activities whose primary purpose is to contribute to students' emotional and physical well being and to their intellectual, cultural, and social development outside the context of the classroom.

PROGRAM BENEFITS: The program assists students in attaining their educational goals through counseling, financial aid, and placement services; and promotes student activities as a supplement to college life as a means of developing a working relationship among students, faculty and staff.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional staffing in the area of financial aid to assist in providing students with adequate financial counseling is needed. Approximately 75% of our students are receiving some form of financial assistance. With the advent of additional federal regulations involving accountability and consumer protection and new programs, the monitoring of these complex programs requires more staff with higher qualifications.

Placement of students upon graduation is becoming more difficult. Further attention needs to be focused on this vital area so that our customers - students - are satisfied with the investment for which they have worked so diligently.

INSTITUTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$1,202,471
FY 79 \$1,167,373

PROGRAM DESCRIPTION: The program provides operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations and allocations made to auxiliary enterprises.

PROGRAM BENEFITS: The program provides planning and executive direction; promotes efficient administrative and logistical services; and provides liaison with local, state, regional and federal agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Accountability requirements imposed by state and federal agencies on the campus administrative units continue to drain away talent employed primarily to manage the instruction program. The demand placed on individuals in these administrative units for information, the completion of surveys, forms and reports, and as resource persons for negotiations for collective bargaining contracts needs to be recognized. Adequate staffing of these administrative units needs to be provided to handle the accountability demands.

OPERATION AND MAINTENANCE OF PLANT PROGRAM . . . Disbursements: FY 78 \$967,110
FY 79 \$950,077

PROGRAM DESCRIPTION: The program provides for operation and maintenance of the physical plant, net of the amounts charged to auxiliary enterprises.

PROGRAM BENEFITS: The program maintains the campus grounds and facilities in a manner that will provide services to the primary programs of the institution.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Energy conservation and the retrofitting of existing facilities for energy savings need to be provided. Funds for such a program need to be provided soon in order for state agencies to make the necessary adjustments to comply with federal and state executive orders.

The College completed its survey of handicapped accessibility to physical facilities. Some funds were provided to the campus to correct deficiencies; however, many more funds are needed to meet the federal requirements for Regulation 504.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements: FY 78 \$377,344
FY 79 \$170,408

PROGRAM DESCRIPTION: Funds are given in the form of outright grants to individuals enrolled in course work. Only expenditures from the current unrestricted funds group are included.

PROGRAM BENEFITS: The program provides a source of financial assistance to qualified students.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Certain legislatively mandated scholarships (e.g., Native Americans) cause a financial burden on units - such as ours - who have a high Indian enrollment. These legislated scholarships (fee waivers) should be reimbursed to those units.

MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY

AGENCY DESCRIPTION:

The Montana College of Mineral Science and Technolgy was established by state statute in 1893 as a four-year state college.

Montana Tech's goals are to offer the highest possible quality post-secondary engineering and scientific education in the mineral and energy fields and related areas, to offer similar quality education in selected supportive liberal arts programs, to provide public and state services, and to engage in research.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana Tech has reviewed and will continue to review its employment practices, admission policies and all other college policies and procedures to assure that it does not discriminate because of sex, age, race, and physical or mental handicap, creed, religion, color or national origin. Where we have found problems in discrimination, we have taken immediate corrective action in all cases within our financial capabilities.

INSTRUCTIONAL PROGRAM	Disbursements: FY 78 \$1,406,860
	FY 79 \$1,428,436

PROGRAM DESCRIPTION: The objective of the Instruction Program is to provide educational activities directed primarily at the production of credits which satisfy the various curriculum requirements leading toward a post-secondary degree.

PROGRAM BENEFITS: One hundred percent of mining and engineering graduates of the classes of 1977 and 1978 were placed in industrial positions or were admitted to graduate schools.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Due to increased enrollment, additional faculty will be needed.

Increased capital funding is necessary to maintain laboratories in the engineering and basic science areas in which equipment is up to date.

ACADEMIC SUPPORT PROGRAM	Disbursements: FY 78 \$209,967
	FY 79 \$241,494

PROGRAM DESCRIPTION: This program provides support services that are an integral part of the operations of one of the institution's three primary programs: instruction, research, and public service. It includes the

retention, preservation, and display of materials and provision of services that directly assist the academic functions of the institution. This category includes libraries, museums and galleries, audio/visual services, academic administration and personnel development, and course and curriculum development.

PROGRAM BENEFITS: The new library was completed in FY 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional funds are needed for book purchases and journals in implementing the new society and technology degree program.

In faculty development, we need to implement a funded sabbatical program and explore the possibility of faculty exchange opportunities within the University System and across the country.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$273,233
FY 79 \$330,702

PROGRAM DESCRIPTION: This program includes admissions, registrar activities, and activities which contribute to students' emotional and physical well being and to their intellectual, cultural, and social development outside the context of the formal instruction program, such as counseling and career guidance, financial and administration, student admissions and records, and supplementary educational services.

The objectives are to assist in placement of graduates, expedite registration procedures, maintain student records, help students to obtain financial aid, and otherwise assist students in areas outside the formal instruction program.

PROGRAM BENEFITS: The enrollment increased from 1,097 students in the fall of 1976 to 1,315 students in the fall of 1978. Since 1973, enrollment at the College has increased by 74%, from 749 students in the fall of 1973 to 1,315 students in the fall of 1978.

Placement and starting salaries of the engineering graduates of the College have continued to be exceptional.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A technician is needed in the registrar-admissions area to handle the increased demands associated with the expanding enrollment and to assist the Registrar-Director of Admissions with the increased duties and responsibilities of this program group.

A full-time foreign-student advisor is needed to handle the admissions and advising of the large foreign student enrollment at the College.

INSTITUTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$467,583
FY 79 \$553,890

PROGRAM DESCRIPTION: This program includes activities to improve the operational support for the day-to-day functioning of the institution,

excluding activities of the physical plant program but including executive and fiscal management, general administrative services, logistic services, and community relations. The objectives are to provide planning and executive direction; to provide and promote efficient administrative and logistical services; and to provide interface with local, state, regional and federal agencies.

PROGRAM BENEFITS: An Economic Development Administration grant in the amount of \$500,000 for construction of a needed auditorium which was completed in August, 1979, was obtained.

The unit worked on the planning and financing to make possible the construction of a physical education facility which will be completed and occupied in October, 1979.

The unit fully implemented the Statewide Budgeting and Accounting System and presently is involved in working with the University System in fully implementing this system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: With increased enrollment and the addition of new federal programs, additional support staff is needed at all levels of the college operation. We have no full-time personnel officer, and with the many problems of hiring, classification of college personnel, etc., this type of position is badly needed.

PHYSICAL PLANT PROGRAM Disbursements: FY 78 \$476,895
FY 79 \$509,285

PROGRAM DESCRIPTION: A program for operation and maintenance of the campus facilities, this program includes custodial, maintenance and remodeling of buildings, up keep of campus grounds and development of programs for future facilities.

PROGRAM BENEFITS: The program directed the campus improvement project which made available sidewalks, roadways, and landscaping; directed a sanitary sewer project to eliminate energy-using pump stations; and implemented a program to reduce energy consumption by adjusting heating equipment and removing excess light fixtures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional funding is needed for repair of existing building roofs, insulation of existing facilities, one additional boiler due to campus growth, updating facilities to meet safety codes and a facility for physical plant shops and storage for the College and the Montana Bureau of Mines and Geology.

Additional personnel are needed to maintain buildings on campus.

SCHOLARSHIP AND FELLOWSHIP PROGRAM Disbursements: FY 78 \$ 95,159
FY 79 \$108,914

PROGRAM DESCRIPTION: Scholarships include outright grants-in-aid, trainee stipends, tuition and fee waivers, and prizes to undergraduate students.

Fellowships include outright grants-in-aid and trainee stipends to graduate students.

PROGRAM BENEFITS: Numerous students were assisted, who, if not for the scholarship aid, would have been unable to attend college.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Scholarship help should be made available to more needy and deserving students.

INDEPENDENT OPERATIONS PROGRAM Disbursements: FY 78 \$900,198
FY 79 \$974,954

PROGRAM DESCRIPTION: The Independent Operations Program of the Montana Bureau of Mines and Geology is the only Montana agency working in the geological, mineral, mineral fuels, geothermal, hydrogeological, and geological hazard fields. The effort involves data collection and interpretation, both applied and basic research, and dissemination of data, data interpretation, and results of research to the public and state and federal agencies.

PROGRAM BENEFITS: The Montana Bureau of Mines and Geology Operational Program serves and advises those Montana citizens working, involved, or interested in the mineral industry which, in total income from all products and processing, is now the state's number one industry. It is the state's official data collection and research agency in ground-water (hydrogeological) matters and, as such, advises and works with the Department of Natural Resources and Conservation. The bureau has become the center for coal information and is systematically evaluating the state coal reserves. Finally, along with many other duties, the bureau attempts to evaluate all potential geological hazards associated with subdivision proposals and works with numerous state and federal agencies in these and other endeavors.

The bureau efforts in 1978 resulted in: (1) the handling of 5,765 pieces of outgoing mail, answering approximately 7,600 telephone calls, interviewing 1,075 visitors (996 signed the guest register), distributing 157 mineral specimens in response to 114 requests, and identifying 208 mineral specimens; (2) conducting 30 museum tours for a total of 1,725 persons and registering more than 13,500 persons on museum visits; (3) issuing six new publications; thousands of these and older publications were sent to 459 libraries in the United States and foreign countries; (4) keeping a full stock of U.S. Geological Survey maps of Montana and bordering areas and selling a total of 10,276 maps over the counter or by mail; (5) obtaining federal funding for drilling and mapping of coal fields in eastern Montana, for study of saline seep problems in central and eastern Montana, for study of lead-zinc deposits in western Montana, for a baseline study of geothermal properties of mine waters, and for continued studies of the hydrogeological properties of coal mine spoils and coal bed aquifers; (6) sending out about 100 detailed analyses of hydrogeological and geological hazards on subdivisions; (7) visiting many small mine operations; (8) analyzing several thousand water and mineral samples and completing more than 22,000 elemental determinations; and (9) working with the Board of Oil and Gas Conservation and several landowner groups in resolving seismic shothole problems.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The bureau's workload has grown dramatically in recent years, and demands from state agencies and citizens have steadily increased as have reviews of federal environmental impact statements and management documents. The professional staff at the bureau is facing a heavy schedule that is verging on an overload. At the same time, the hiring of the most competent personnel possible places a demand for higher salaries, which often exceed those of long-term employees. The bureau desperately needs a petroleum geologist-stratigrapher; an engineering geologist; an additional analytical chemist; an economic geologist; and four new positions in hydrology. The bureau is heavily involved in ground-water studies for the Department of Conservation and Natural Resources and cooperative projects with other federal agencies. Additional state funding is necessary if the bureau is to supply the state with the data base and evaluations needed to manage the ground-water resources. Investigations of the state's mineral resources are necessary for classification and cataloging of potentials. The bureau's work on producing a state geologic atlas is proceeding slowly and will be accelerating. For the state's long-run benefit, the bureau should be cooperating with the State Department of Revenue in the process of studying basic economics of the Montana mineral industry and revising, simplifying, and reducing the paper volume of mineral resource taxes.

MONTANA STATE UNIVERSITY

AGENCY DESCRIPTION:

Montana State University is the land-grant university for the State of Montana. As one of the six coordinated units of the Montana University System, Montana State University provides undergraduate and graduate educational opportunities in agriculture, engineering, the sciences, humanities, and business. Additionally, Montana State University conducts research in areas of interest to the state and nation and provides public service through its facilities and staff.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

MSU has a developed and active affirmative action plan and a full-time Affirmative Action Officer (AAO). Each year the AAO conducts studies to determine MSU's compliance with affirmative action and equal opportunity provisions.

All permanent professional personnel are hired after national searches conducted by search committees.

Over the past two years MSU has particularly improved its access to the handicapped. Where program access is prevented by structural problems and monies have not been available for modification, special arrangements have been made to allow access of the handicapped. A handicapped self-evaluation has been completed.

Appropriate internal grievance procedures featuring peer review have been established to deal with any and all alleged discrimination.

UNIVERSITY SYSTEM

PROGRAM DISBURSEMENTS:

	<u>FY 1978</u>	<u>FY 1979</u>
Instruction Program	\$13,729,299	\$14,561,232
Research Program	5,086,024	4,677,018
Public Service Program	154,336	547,725
Academic Support Program	2,685,537	2,725,349
Student Services Program	2,478,202	2,762,333
Institutional Support	1,940,308	2,169,167
Operations and Maintenance Program	2,077,147	2,104,629
WAMI Program	218,973	207,818
Scholarships and Fellowships Program	1,499,830	1,551,842

PROGRAM DESCRIPTION: All of these programs are required to support the overall mission of being Montana's land-grant university providing educational programs, research and public service.

PROGRAM BENEFITS: Montana State University programs must be considered as a whole. Each of the above programs contribute vitally to our mission as a land-grant university, the end products being students who graduate or leave better prepared to be productive citizens of the state and nation, research that pays off, and public service programs that enrich our citizenry. Montana State University had 9,920 (9,651 FTE) students in FY 1979, the largest enrollment in the state. Montana State University graduated 1,745, including 25 doctorates and 177 masters' degrees. In 1978-79, Montana State University's grant and contract research totaled approximately \$8,000,000, including valuable research on animal diseases, grain productivity and disease resistance, water research, land reclamation research, and energy research, to include one of the nation's largest efforts in magnetohydrodynamics. In the last year, Montana State University was chosen by more than 40% of all Montana first-quarter freshmen attending college, and 50.5% of the Montana high school designated honor scholarship recipients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Montana State University's nursing program requires several quarters of instruction off campus in hospital clinical facilities around the state. In these clinics, student/faculty ratios cannot exceed 8/1, yet Montana State University has been funded across the board at a 19/1 ratio. Some provision to provide special funding is needed.

A funding procedure needs to be formalized whereby institutions such as Montana State University, where enrollments consistently exceed the projections that determine funding, may receive the additional funding required to obtain appropriate resources. The additional tuition income only meets about 25% of the added costs to the unit, and we consistently sacrifice capital research monies in order to handle the classroom needs of several hundred additional students. We endorse the concept of the last legislature to develop a new funding formula.

NORTHERN MONTANA COLLEGE

AGENCY DESCRIPTION:

The statutory authority for Northern Montana College (NMC) is contained in Chapters 20-25-256, MCA. Northern Montana College exists to provide educational services to Montana in certificate, two-year, four-year and graduate degree programs. While in the main, Northern Montana College serves the Hi-Line region, it has a statewide mission to provide collegiate vocational-technical programs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

NMC has reviewed its employment practices, admission policies and all other policies and procedures to assure that it does not discriminate because of sex, age, race, physical or mental handicap, creed, religion, color or national origin.

INSTRUCTIONAL PROGRAM Disbursements: FY 78 \$1,761,572
FY 79 \$1,906,968

PROGRAM DESCRIPTION: The objective of the Instruction Program is to provide educational activities directed primarily at the production of credits which satisfy the various curricula leading toward a post-secondary degree.

PROGRAM BENEFITS: The state of Montana receives the benefits of a better educated electorate and a more productive citizenry.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Develop a process of Instructional Program review whereby all programs will be reviewed on a 5-year cycle for the purpose of improving quality and maintaining excellence.

PUBLIC SERVICE PROGRAM Disbursements: FY 78 \$24,288
FY 79 \$12,372

PROGRAM DESCRIPTION: The objective of this program is to assist the community and the state in community planning and development, urban planning, professional certification, natural resources, business, education, agriculture, industry, health and recreation.

PROGRAM BENEFITS: This program helps to provide courses of interest to off campus enrollees and non-instructional services to groups external to the institution.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increased number of offerings to off-campus groups.

ACADEMIC SUPPORT PROGRAM Disbursements: FY 78 \$278,729
FY 79 \$271,006

PROGRAM DESCRIPTION: This program provides support services which are an integral part of the operations of one of the institution's three primary

programs: instruction, research, and public service. It includes the retention, preservation, and display of materials and the provision of services which directly assist the academic functions of the institution. This category includes libraries, museums and galleries, audio-visual services, academic administration and personnel development, and course and curriculum development.

PROGRAM BENEFITS: A program of faculty development was initiated. Grants were obtained for purposes which will directly benefit NMC and the State of Montana. Northern Montana College received legislative approval and funding for a new library, which, it is felt, is essential to future program development at the College.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Complete academic reorganization, including administration and curriculum.

Increase library holdings.

Improve graduate instruction.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$365,740
FY 79 \$421,574

PROGRAM DESCRIPTION: This program includes admission, registrar's activities, and activities which contribute to students' emotional and physical well being and to their intellectual, cultural, and social development outside the context of the formal instruction program. Included are activities such as counseling and career guidance, financial aid administration, student admissions and records, and supplementary educational services. The objectives are to assist in placement of graduates, expedite registration procedures, maintain student records, help students to obtain financial aid, and otherwise assist students in areas outside the formal instructional program.

PROGRAM BENEFITS: Counseling was increased to help disadvantaged and handicapped students, with emphasis on those students whose origin has produced cultural, economic or educational deficiencies.

INSTITUTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$376,747
FY 79 \$342,628

PROGRAM DESCRIPTION: This program includes activities to improve the operational support for the day-to-day functioning of the institution, excluding activities of the physical plant program, but including executive and fiscal management, general administrative services, logistic services, and community relations. The objectives are to provide planning and executive direction; to provide and promote efficient administrative and logistical services; and to provide interface with local, state, regional and federal agencies.

PROGRAM BENEFITS: The school fully implemented the Statewide Budgeting and Accounting System and succeeded in securing additional funds for completion of the Auto Diesel Laboratory.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Performance review of staff to assure that all necessary functions are properly managed.

PHYSICAL PLANT PROGRAM Disbursements: FY 78 \$436,421
FY 79 \$449,148

PROGRAM DESCRIPTION: This program operates and maintains campus facilities. This program includes custodial services, maintenance and remodeling of buildings, upkeep of campus grounds, and development of programs for future facilities.

PROGRAM BENEFITS: Northern Montana College instituted an energy conservation program of reducing natural gas consumption by adjusting building temperatures. Relocation of entire programs has taken place throughout the campus. We have continued the maintenance of facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Directing more time and dollars toward routine maintenance; reroofing two buildings; and repairing campus streets.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements: FY 78 \$167,623
FY 79 \$161,736

PROGRAM DESCRIPTION: Scholarships include outright grants-in-aid, trainee stipends, and tuition and fee waivers. Fellowships include outright grants-in-aid and trainee stipends for graduate students.

PROGRAM BENEFITS: The program makes college more accessible to needy students and provides an incentive to students of ability.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue and expand this program to ensure accessibility of higher education to more students.

UNIVERSITY OF MONTANA

AGENCY DESCRIPTION:

The University of Montana is a comprehensive institution of higher education. Its mission is to provide undergraduate and graduate education, research and public service for the people of Montana. This is accomplished through the College of Arts and Sciences and seven professional schools -- Business, Education, Fine Arts, Forestry, Journalism, and Pharmacy and Allied Health. Programs at the graduate and professional levels are rooted in the broadly based undergraduate programs in the liberal arts and sciences.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The University's commitment to nondiscrimination in employment and educational programs is ongoing. The Equal Opportunity Officer at the University of Montana oversees institutional efforts to effect the Freedom from Discrimination Act and to comply with federal nondiscrimination and affirmative action regulations. The Discrimination Grievance Committee assists the Equal Opportunity Office in ensuring that the students, faculty and staff are not subjected to discriminatory practices.

INSTRUCTION PROGRAM Disbursements: FY 78 \$14,805,564
FY 79 \$14,823,014

PROGRAM DESCRIPTION: This program includes expenditures for all activities which are part of the institution's instruction program (credit and non-credit) and expenditures for departmental research and public service which are not separately budgeted.

PROGRAM BENEFITS: The program represents the basic undergraduate and graduate teaching mission of the University to an enrollment of 7,893 FTE students. In addition, a comprehensive continuing education and extension program is provided to the people of the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The University is embarking upon a long-term program of comprehensive academic planning. The process will develop a set of assumptions regarding the environment in which the University will function within the next five years, and establish realistic University and program goals. Further, it will build upon the many areas of quality, and will continue to seek personnel, operating and capital budgets necessary to implement the plans developed.

RESEARCH PROGRAM Disbursements: FY 78 \$3,147,825
FY 79 \$3,131,183

PROGRAM DESCRIPTION: This program supplements the instructional program in the area of graduate training. It also includes activities specifically organized to produce research results requested by an agency external to the institution or separately budgeted by an organizational unit within the institution.

PROGRAM BENEFITS: Specialized research programs provide applied research capabilities for business, educational and social service agencies, and the general public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The University is reviewing and revising its research-related policies as a basis for the continuing development of the research program.

PUBLIC SERVICE PROGRAM Disbursements: FY 78 \$ 71,021
FY 79 \$465,960

PROGRAM DESCRIPTION: Public Service expenditures include all funds budgeted specifically for public service and expended for activities established primarily to provide noninstructional services beneficial to groups external to the institution.

PROGRAM BENEFITS: Various resources and unique capabilities existing within the University are made available to the public through this program. Examples are the services of the Speech, Hearing and Language Clinic and the Clinical Psychology Center.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

ACADEMIC SUPPORT PROGRAM Disbursements: FY 78 \$3,036,977
FY 79 \$3,035,638

PROGRAM DESCRIPTION: This program includes funds expended for activities carried out to provide direct support services to one of the institution's three primary programs: instruction, research, public service.

PROGRAM BENEFITS: Activities in this program are an integral part of the University's basic mission and thus serve those who benefit from the University itself. The library, audio-visual services and the academic administrative structure are examples of activities in this program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Expansion of the library acquisitions budget; completion and equipping of the University library.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$1,433,599
FY 79 \$1,523,965

PROGRAM DESCRIPTION: This program includes admissions, counseling, financial aids, high school relations and related activities whose primary purpose is to contribute to the students' emotional, educational, and physical well being and to their intellectual, cultural and social development outside the context of the formal instructional program.

PROGRAM BENEFITS: Activities within this program are of direct benefit to the students. Provided are the means to enroll in the University, seek financial aid, receive counseling and vocational services, and to have options to various forms of supportive activities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There continues to be a need to replace an antiquated registration system with high speed word processing and computer assisted equipment. Similar needs also exist within Financial Aids. The physical move of one office would create better service and access for students.

INSTITUTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$1,754,459
FY 79 \$1,822,376

PROGRAM DESCRIPTION: This program includes activities whose primary purpose is to provide operational support for the day-to-day functioning of the institution, excluding expenditures for physical plant operations and allocations made to auxiliary enterprises and hospitals.

PROGRAM BENEFITS: The benefits are both internal and external. Services provided by the President's Office and such activities as purchasing, telephone and accounting make it possible for the institution to function. These activities also provide review and controls to assure proper expenditure of public monies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue improving new financial, computer and administrative support services.

UNIVERSITY SYSTEM

OPERATIONS AND MAINTENANCE OF

PLANT PROGRAM Disbursements: FY 78 \$2,635,155
FY 79 \$3,075,532

PROGRAM DESCRIPTION: The program includes the operations and maintenance of the physical plant, net of amounts charged to auxiliary enterprises and other non-state areas.

PROGRAM BENEFITS: This activity protects the investment in University physical facilities and is of direct support to the other program areas of the University.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue efforts of maintaining and upgrading campus facilities and energy conservation. Funds are required to address the general deterioration of the state buildings and to meet federally mandated facility improvements.

SCHOLARSHIPS AND FELLOWSHIPS PROGRAM Disbursements: FY 78 \$3,357,059
FY 79 \$1,715,594

PROGRAM DESCRIPTION: The program provides direct support to students enrolled in course work.

PROGRAM BENEFITS: The availability of this support helps students to attend the University.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: None.

WESTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Western Montana College, established as one of the four original units of the Montana University System in 1893, has served the needs of the people of Montana in its primary mission as a teacher training institution.

In accordance with the role and scope statement for the current six units of the Montana University System adopted by the Board of Regents June 25, 1979, Western Montana College will continue to provide teacher instruction while broadening its curricular base to serve the citizens of the State of Montana. All disbursements shown in this report are Current Unrestricted only.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Western Montana College's commitment to nondiscrimination in employment and educational programs has been stated in the past and is herein reaffirmed. The College is an equal opportunity employer and therefore does not discriminate because of sex, age, race, physical or mental handicaps, creed, religion, color or national origin in hiring or educational practices.

INSTRUCTION PROGRAM Disbursements: FY 78 \$837,877
FY 79 \$860,500

PROGRAM DESCRIPTION: This program includes expenditures for all activities, credit and noncredit, that are a part of the course offering of the institution.

PROGRAM BENEFITS: The program represents the basic and primary undergraduate and graduate teaching missions of the College to all registered students. This program represents the sole academic function of the College, since it does not currently engage in research.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is expected that by incorporating the Board of Regents role and scope statement, the College will be able to serve the students interested in attending. Included in this statement is the need for the College to: "capitalize on the positive aspects of its nonurban location in a setting of great natural beauty and recreational opportunities. Academic programs can and should be developed which exploit these assets and which make the most of the close personal interactions of students, faculty and administration so uniquely advantageous to the small college."

ACADEMIC SUPPORT PROGRAM Disbursements: FY 78 \$195,618
FY 79 \$232,072

PROGRAM DESCRIPTION: This program provides activities needed for direct support services to the agency's primary instructional mission. The program includes such vital activities as the libraries, art gallery and academic administration.

PROGRAM BENEFITS: The primary benefit is derived from library services that are so essential for a well integrated and highly developed academic discipline.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The library, with about 80,000 volumes, needs to continue to increase its size at the rate of about 5% a year in order to satisfy the requirements for accreditation. According to the American Library Association standards, the library is about 75% of where it should be in its collection size.

STUDENT SERVICES PROGRAM Disbursements: FY 78 \$228,021
FY 79 \$273,085

PROGRAM DESCRIPTION: This program is directed at providing those activities outside the context of formal instructional programs which provide for the student emotional, physical, cultural and social well being.

Examples of these activities are admissions, student financial aids, guidance and counseling, intercollegiate athletics and placement.

PROGRAM BENEFITS: Without this program, student accessibility to the system, development while on the system, and successful and productive exit from the system would be impossible. Approximately 95% of teacher graduates are successfully placed into the Montana education system. Because of the high frequency of graduating students that stay within Montana, the College's social and economic impact in Montana is proportionately very high.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional funding is needed for a full-time student guidance and counseling position. The College is able to provide a part-time position by cannibalizing an existing faculty position.

INSTITUTIONAL SUPPORT PROGRAM Disbursements: FY 78 \$304,004
FY 79 \$265,837

PROGRAM DESCRIPTION: This program includes activities necessary to insure day-to-day operational functioning of the agency, excluding physical plant programs. These activities are the President's Office, the Business Office and the Computer Center.

PROGRAM BENEFITS: The benefits of this program are measured by the success of the College in meeting its primary missions. All development of the College including recent grant activities is directed by this program. A recent acquisition of a computer for instructional and administrative use accounted for a large part of the disbursement shown for 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is essential that all key administrative positions be funded to insure the College meets the many and varied administrative and accountability requirements imposed by local, state, regional and federal sources.

Additional funding is needed for computer maintenance and support. Maintenance contracts, not funded in the 1981 Biennium, require expenditures in excess of \$10,000. An additional full-time staff position is needed to meet computer services demand.

PHYSICAL PLANT PROGRAM Disbursements: FY 78 \$392,535
FY 79 \$417,841

PROGRAM DESCRIPTION: This program is responsible for custodial care, maintenance, and remodeling of buildings as well as upkeep of campus grounds.

PROGRAM BENEFITS: The College is often cited as being the best maintained unit of the Montana University System. The plant staff is a highly-trained group of individuals not hampered by many of the constraints evident at larger educational institutions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The College is experiencing, like other institutions, the problem of roofs older than 20 years leaking. The President's house and the Student Union Building both need replacing.

Although we have more than adequate dorm space for the present number of on-campus boarders, married student housing is inadequate. A HUD loan for married student housing was requested but the chances for approval are minimal.

SCHOLARSHIP AND FELLOWSHIP PROGRAM Disbursements: FY 78 \$54,793
FY 79 \$48,543

PROGRAM DESCRIPTION: Scholarships include in-state and out-of-state tuition and fee waivers in varied student categories.

PROGRAM BENEFITS: This program enables the College to offer aid to exceptional students who may not be eligible for other student financial aid. It also allows the College to compete with other units for exceptional students.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is essential that the College be given a level of scholarships and fellowships that reflects the need of the attending students rather than the level appropriated during the 1979 Legislature. The \$38,628 awarded each year of the 1981 Biennium to the College is significantly less than the \$52,000 justified by the method used to determine the other five units' expenditure levels.

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